

My Ref: Scrutiny/Correspondence/Cllr Jenkins

16 March 2021

Councillor Lynda Thorne
Cabinet Member for Housing & Communities
Sent via e-mail



Dear Cllr Thorne,

**COMMUNITY & ADULT SERVICES SCRUTINY COMMITTEE – 10 MARCH 2021 –
HRA BUSINESS PLAN 2021/22 & UPDATE ON THE COUNCIL'S DESIGN
STANDARDS AND ACQUISITION OF PROPERTY AT WYNDHAM CRESCENT
(NON CONFIDENTIAL)**

Please accept my thanks on behalf of the Committee to both yourself and officers for attending the Community & Adult Services Scrutiny Committee to facilitate our consideration of the HRA Business Plan 2021-22, the updating of the council's Design Standards and the proposals regarding the Wyndham Crescent package deal. As you know, during the meeting discussions were also held regarding the confidential appendices of the package deal and a separate, confidential letter has also been sent to you on the matters raised during the closed session of the meeting.

HRA Business Plan 2021-22

Members firstly wish to welcome and acknowledge the benefits and importance of the Plan's matrix table (RAG Analysis) and its ability to provide both the Welsh Government and members of the public with a clear understanding of the identified areas of risk and insight into how the council is working to address such matters. However, it is felt by Members that the narrative within the table should be expanded. For instance, during discussions, Members sought assurance surrounding how the risks are determined, analysed and monitored and it was confirmed that officers continuously review and monitor both the risks and the financial modelling in order to ensure performance, progress and viability. Although Members were pleased to be informed of such workings, Members do feel this working could be portrayed within the plan in greater detail; particularly given the number of risks identified as red pre-mitigation.

In terms of the decarbonisation agenda, questions were raised regarding when the decarbonisation of existing council stock would begin and concerns were highlighted regarding the costings and scale of such work. Members heard that this is a recognised challenge and work is ongoing toward alternative methods such as external insulation and renewable technology on the roofs. In addition, Members note and acknowledge the emphasis made regarding the balancing act between improving homes and ensuring energy costs are affordable for tenants. Members also queried if the council will be putting in a submission to the Welsh Government's Warm Housing Programme to ensure our ongoing work towards tackling fuel poverty is recognised and thereby adequately supported. Members wish to seek confirmation and encourage a submission to the Programme being made.

Members also questioned if the 'challenge of decarbonisation' risk being determined as amber post mitigation in the Plan's matrix table was realistic given the challenges surrounding retrofitting detailed at the meeting. Although Members heard that we are above the Welsh Government's SAP rating target, and the need to remain ambitious when setting targets, Members still question its Amber rating given that this is a substantial piece of work, which will require a significant amount of time along with the development and progression of other key variables such as technology.

During the meeting it was confirmed that the debt projections contained in the Plan included the costing of the council's house build programme and Members sought assurance that the level of debt detailed in the plan, particularly given the significant increase in 2022/23 is viable. Members were advised that the revenue and capital budgets are aligned and that borrowing is taking into account over a 30-year period. Questions were also raised surrounding bad debts and the Plan's lack of analysis on how this risk will be monitored. Members note the comments made that the sensitivity table within the Plan provides a snapshot of some of the risks and that full analysis and detail of how all identified risks will be monitored is sent to the Welsh Government.

Questions were also raised regarding the overall format of the Plan. Members note that the format for the Plan is prescribed by the Welsh Government however, it was confirmed there is scope to alter some of its format within reason. As such, in line with the observations captured within this letter, Members **recommend** that in future years more information is included in the Plan regarding financial detail, mitigation measures and sensitivity analysis providing those who read it with greater insight, clarity and assurance.

With regard to the council maintaining the Welsh Housing Quality Standard, Members raised their concern regarding the impact Covid-19 has had on the council undertaking proactive property visits to ensure standards are being achieved. Members note that this concern was shared by the witnesses' and welcome the comments made that alternative work, in line with social distancing restrictions, has progressed and work which may have been impacted will commence when restrictions allow.

It was confirmed that due to the unprecedented circumstances of the past year the tenants' survey had not been conducted. Members were also informed that the Welsh Government expectation is for this survey to be conducted at least every two years, however we as an authority conduct them annually. Members note and welcome the comments made regarding the survey recommencing and continuing on an annual basis.

Finally, as requested at the meeting, Members would be grateful if confirmation could be provided on what the construction price inflation figures are at present in order to determine its alignment to the sensitivity analysis within the Plan.

Cardiff Design Standards Update & Package Deal – Wyndham Crescent

Members firstly wish to thank you and officers for the informative update provided at Committee regarding package deals, the proposals within the Cabinet Report, the development of the Design Standards and the positive response to the discussions held.

In terms of the Wyndham Crescent package deal, questions were raised regarding the timeline for developing the scheme, the challenges surrounding early engagement with the developers and the council's limited influence on the standards and design of the development. However, Members note the assurances provided at Committee that the Wyndham Crescent scheme is perceived as well thought out, offering a good opportunity to deliver large, adaptable older person's flats which are in high demand.

During the meeting it was confirmed that planning permission for the scheme had not yet been agreed and Ward Members had raised concerns which will be discussed with planning officers under the usual planning process.

In terms of design, Members welcome the comments made that the overall design of the scheme presented in a package deal is a key factor for the council when determining if the deal is accepted. Further to this, Members welcomed the update on the progression of the

Cardiff Design Standard document that will set out key principles for the delivery of every scheme in a clear, focused manner. Members note that the use of the word modern within the document's vision relates to modern day living and Members would suggest this narrative being expanded in order to ensure its meaning is better reflected. In addition I also highlighted the tendency for the connotations of the term 'modern' to change and for this reason the need to ensure the council house build programme and the Design Standards focuses on the delivery of 'timeless' properties. Members therefore **recommend** the focus on the delivery of 'timeless' properties being included in the document. Members also **recommend** that the work of the Prince's Foundation is used as inspiration for the Design Standards, with visual examples of developments such as Poundbury and Nansledan used to demonstrate good examples of urban development.

Lastly, to confirm, the Committee's observation on the confidential appendices has been circulated to you in a separate letter.

Thank you once again to you and officers for attending Committee. For ease of reference, the recommendations and requests captured within this letter are as follows:

HRA Business Plan 2021/22

Request:

- Confirmation on if the council will be putting in a submission to the Welsh Government's Warm Housing Programme consultation, it is to note Members of the Committee wish to encourage a submission being made.
- Confirmation on what the construction price inflation figures are at present in order to determine its alignment to the sensitivity analysis within the Plan.

Recommend:

- In future years more information is included in the Business Plan regarding financial detail, mitigation measures and sensitivity analysis providing those who read it with greater insight, clarity and assurance.

Cardiff Design Standards Update & Package Deal – Wyndham Crescent

Recommend:

- Within the Cardiff Design Standards document the focus on the delivery of 'timeless' properties being included in the document. Members also recommend that the work

of the Prince's Foundation is used as inspiration for the Design Standards, with visual examples of developments such as Poundbury and Nansledan used to demonstrate good examples of urban development.

I hope you find the discussions held within committee, along with the comments, observations and recommendations captured within this letter of use.

Yours,

A handwritten signature in black ink, appearing to read 'Shaun Jenkins', with a stylized flourish at the end.

COUNCILLOR SHAUN JENKINS

Chairman - Community & Adult Services Scrutiny Committee

cc. Sarah McGill, Corporate Director People & Communities

Jane Thomas, Director, Adults, Housing & Communities

Colin Blackmore, OM Building Improvement & Safety

Gill Brown, Accountant

Dave Jaques, OM Housing Development

Cabinet Office