

Meeting of:	<b>Council</b>
Date of Meeting:	<b>Wednesday, 26 February 2020</b>
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Housing Revenue Account Business Plan
Purpose of Report:	To Present the Housing Revenue Account Business Plan 2020 for Approval
Report Owner:	Andrew Treweek - Operational Manager - Building Services
Responsible Officer:	Miles Punter - Director of Environment and Housing
Elected Member and Officer Consultation:	The Leader of the Council Cabinet Member for Housing and Building Services Head of Housing and Building Services Operational Manager Accountancy Operational Manager Legal Services Asset Manager Operational Manager - Public Housing Services
Policy Framework:	This report is a matter for Council decision
<p>Executive Summary:</p> <ul style="list-style-type: none"> <li>• This report sets out the Council's 30-year business plan for housing in support of the Council's continued MRA (Major Repairs Allowance) investment from Welsh Government.</li> <li>• Welsh Government (WG) requires all local authorities with retained housing stock, to submit a fit for purpose annual Housing Business Plan, incorporating a detailed financial forecast in the form of a 30-year financial model.</li> <li>• The Business Plan incorporates a forward statement from the Leader of the Council and the Cabinet Member for Housing and Building Services, reflecting the work being undertaken to develop sustainable communities and neighbourhoods where residents can be proud to live.</li> <li>• Guidance for the submission of the Housing Business Plan was received from Welsh Government in January, with a submission deadline of 31st March 2020.</li> </ul>	

- The provision for doubtful debts has remained at 6% of rental income to allow for the negative impact of Welfare Reform and in particular, Universal Credit on rent collection, with a reduction to 3% from 2022/23 onwards.
- The Housing Business Plan is both viable and sustainable in terms of meeting the Council's obligations on WHQS for existing stock, the level of debt and the potential for New Build and Regeneration. However, two stress test scenarios' do have an impact on Prudential Borrowing which would see a requirement to reduce the Council's aspirations around new build.

## **Recommendation**

1. That Council approve the Housing Business Plan 2020/50 attached at Appendix 1 to this report.

## **Reason for Recommendation**

1. To obtain approval for the Housing Business Plan 2020/50.

## **1. Background**

- 1.1 The Welsh Government (WG) requires all Local Authorities who retain their housing stock to submit annually an acceptable Housing Business Plan incorporating a detailed financial forecast in the form of a 30-year financial model.
- 1.2 The Business Plan is the primary tool for a Local Authority's housing landlord service and includes all assets within the Council's Housing Revenue Account (HRA).
- 1.3 The Business Plan must be submitted to WG by 31st March 2020 and requires approval by Council.
- 1.4 The submission will then form the basis of the Compensation Award (formerly Major Repairs Allowance MRA) grant application, a pivotal Welsh Government financing component for the Housing Improvement Programme.

## **2. Key Issues for Consideration**

- 2.1 The financial model used incorporates the most recent investment requirements based on the Council's Keystone Asset Management System and any other known issues.
- 2.2 Gross average rents for standard stock units are £99.79 in 2020/21 calculated on a 52-week basis. After 2020/21 rents have been assumed to increase by CPI + 1% as per WG Business Plan Guidance.
- 2.3 The Compensation Award has not yet been advised by WG. It has therefore been assumed in the Plan as £2.76m per annum, in line with the award for 2019/20. No inflation has been assumed on this grant.
- 2.4 The Plan is able to afford new build and acquisition schemes of £270.091m over years 1 – 30.
- 2.5 All other revenue income and expenditure is based on the 2020/21 budget.

- 2.6** The provision for doubtful debts has remained at 6% of rental income to allow for the negative impact of Welfare Reform and in particular, Universal Credit on rent collection, with a reduction to 3% from 2022/23 onwards. This may be adjusted in future years to respond to the Government's recent announcement to delay full roll out of Universal Credit until 2024.
- 2.7** The latest projections are attached at Appendix G(i) and G(ii) to the Business Plan. Peak debt through the current plan is achieved in year 17 at a total of £166.957m, this clearly exceeds the previous restrictions presented by the HRA Cap; but remains affordable through prudential borrowing principles.
- 2.8** There are a number of risks associated with the assumptions used in the financial projections for the Business Plan. The Council therefore needs to undertake sensitivity analysis to examine the impact of various scenarios on the ability to deliver the Plan. WG guidance requires authorities to model scenarios that are considered relevant to the Plan. The results are shown at Appendix H to the Plan.
- 2.9** The Business Plan is most sensitive to the following two scenarios:
- 2.10** Sensitivity 2 - Reduction in rate of rent increase to CPI only
- 2.11** Sensitivity 3 - Reduction in rate of rent increase to CPI + 0.5% plus increase of 1% on cost inflation.

### **3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 3.1** Looking to the long term, the Housing Revenue Account Business plan projects the investment required to maintain improve and develop new housing stock and explores the sensitivities in being able to deliver on such proposals. This means planning for the future and taking a strategic approach to ensure housing services are sustainable and meet the future need and demand for Housing.
- 3.2** By taking an integrated approach to public housing, through investment in the current housing stock, it is recognised the Council cannot fully address all social housing issues. It is therefore essential to continue to work with our RSL partners to support and deliver housing need within the Vale of Glamorgan. This form of collaboration ensures the continued supply of appropriate housing to meet current and future need.
- 3.3** Housing Services continues to involve tenants and residents in meeting housing need and the HRABP seeks to respond to future demand taking account of changes to housing need. The plan also identifies resident involvement in developing sustainable communities to ensure residents can be proud of their homes and neighbourhoods.

- 3.4** The HRABP forecasts the potential impact tenants and residents may be experiencing in the maintenance of their tenancy. The launch of universal credit is having a large impact on rent arrears and the Housing Service has responded by being proactive with tenants to develop their work skills, self-esteem and financial management to ensure they can maintain their tenancy.

## **4. Resources and Legal Considerations**

### **Financial**

- 4.1** The Abolition of the Right to Buy and Associated Rights (Wales) Act 2018 gained Royal Assent on 24 January 2018. The provisions in the Act mean abolition of the rights came into force on 26 January 2019. Therefore, the Business Plan does not assume any HRA receipts.
- 4.2** The WG is providing grant funding to support new Council house building. The Affordable Housing Grant (AHG) has been confirmed for two current projects. The Council will take out a loan to fund capital expenditure and the AHG will be paid as an annual grant over a 30-year period and will be used to finance the interest and capital repayments of the debt. Welsh Government are currently considering the future of the Housing Grant regime after 2020.
- 4.3** The Housing Business Plan is both viable and sustainable in terms of maintaining the Council's obligations on WHQS for existing stock, the level of debt and the potential for New Build and Regeneration.
- 4.4** Given the forecasted viability of the plan, the availability of resources to meet the Council's obligation should be relatively resilient to changes in financial conditions.
- 4.5** The figures in the Housing Business Plan are based on current projections and if the financial conditions should worsen then the level of investment proposed may not be achievable and mitigating actions will need to be undertaken e.g. a reduction in the new build programme. The Plan does cover a 30-year period and will be reviewed on an annual basis and can be amended accordingly to meet any future changes in conditions.

### **Employment**

- 4.6** The Business Plan includes work being undertaken to improve tenants' skills, qualifications and knowledge to assist them in entering gainful employment to help them manage their tenancy.

### **Legal (Including Equalities)**

- 4.7** It is a legal requirement of the WG for each Local Authority that retains its housing stock to produce a Business Plan and 30-year financial forecast, describing how it will provide the investment to meet and continue to meet, the Welsh Housing Quality Standard.

## **5. Background Papers**

Housing Business Plan 2020/50



A central graphic for the Housing Business Plan. It features a blue horizontal band with the text 'VALE of GLAMORGAN COUNCIL HOUSING BUSINESS PLAN' in white. Below this band is a smaller blue band with 'March 2020' in white. The graphic is surrounded by green icons of houses and people. A circular path of icons shows a person entering a house, a group of people, and a person with a cane. To the left, the text 'Strong Communities with a Bright Future' is written in blue, with 'Bright' in a larger font. The entire graphic is set against a white background with faint green lines.

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## **Joint Message**

### **Message from the Leader, Councillor Neil Moore and the Cabinet Member for Housing and Building Services, Councillor Margaret Wilkinson.**

The profile of Housing is becoming increasingly important both within Wales and the United Kingdom and it is now well recognised there is a Housing crisis. Both Governments have made commitments to increase Housing supply and the Vale of Glamorgan Council is able to contribute to this ambition through this 30 Year Business Plan. It is recognised the Construction industry needs to move away from traditional methods of construction in order to meet the current demands for new homes and the Council is fully supportive of Modern Methods of Construction and Off-Site Manufacturing. The Council's Development activities will rely more on these methods of construction over time and it is anticipated this will provide a higher quality product at an advantageous price.

At the same time as providing more homes, Climate Change is also a major issue which needs addressing quickly. This Business Plan provides financial resource over the life of the plan to have a significant impact on the Council's Carbon footprint, but the solutions towards carbon reduction must also be affordable for our tenants. The opportunities to reverse climate change are diminishing, but the solutions should improve tenants financial standing not increase the number experiencing fuel poverty. As part of the Council's energy improvement programme, a "whole house" approach is taken to ensure the best solution is installed; starting with the building fabric first.

The Council has now received the five-year rent policy from Welsh Government, which provides an element of certainty for the sector. Under the policy, social rents can be uplifted by a maximum of the Consumer Price Index +1% for five years as long as CPI stays within a prescribed range. This five-year policy enables this Council to be more certain about its financial position, which assists in developing new homes and investing to meeting climate change targets.

Tenants are always at the heart of what we do and all the improvements and development of new homes is worthless if it does not meet their needs and aspirations. Robust tenant feedback is therefore paramount to the Council as a landlord, understanding how the services are received by customers. Tenant feedback plays a large part in developing the Council's services and programmes; every opportunity is used to capture tenant satisfaction and this information then used to shape our services. However, understanding tenants' views on the service as a whole is also very important and a new 'STAR' survey has been commissioned to build on the views obtained from tenants three years ago. A summary of the results and a first analysis between years is provided within this report.

**Councillor Neil Moore – Leader of the Council**

**Councillor Margaret Wilkinson – Cabinet Member for Housing and Building Services.**

## Housing Business Plan - Our Way Forward

The Well-being of Future Generations (Wales) Act puts in place a 'sustainable development principle' which tells organisations how to go about meeting their duty under the Act:

*"You must act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs, by taking account of the sustainable development principle".*

The sustainable development principle means considering how actions are taken to support continuous improvement by:

- **Looking to the long term** – for us this means planning for the future and taking a strategic approach to ensure services are sustainable and that we understand the future need and demand for services.
- **Taking an integrated approach** – for us this means thinking about the needs of our customers and working with our partners.
- **Involving the population in decisions** – for us this means engaging with our residents and customers, including the business community and ensuring that we are listening to a wide range of views to inform our thinking.
- **Working in a collaborative way** – for us this means recognising we can achieve more and deliver better services by working as part of a team, for example by working with the Third Sector, Town and Community Councils and neighbouring authorities.
- **Understanding the root causes of issues and preventing them** – for us this means being proactive in our thinking and understanding the need to tackle problems at source for example by undertaking needs assessments to inform our priorities.

The Housing, Community Safety and Building Services Team deliver a range of customer focused services in the Vale. We have broadly defined our aims as:

- We respect and value our customers
- We know our customers and understand their needs
- We provide value for money services
- We work with partners to create sustainable communities
- Our staff are professional, know what is expected of them and trained and supported to achieve their potential
- We create a culture whereby everyone has a positive 'can do' attitude taking ownership and responsibility
- We get things right first time every time
- We are innovators, seeking to go the extra mile, sustaining existing customer relations and developing new ones
- We are a listening and learning team

This business plan has been developed to support the aims of the service and focus resources on the projects which support these key aims.

Social landlords now have greater freedom and flexibility to manage their services following a departure from the HRA subsidy system and the Vale of Glamorgan continues to increase the number of homes available whilst maintaining and improving the existing housing stock.

Social landlords across the United Kingdom continue to quantify the effects of welfare reform and how successful it and its partners' interventions have been in terms of supporting tenants. In the Vale interventions such as money advice have helped maintain a low level of rent arrears at less than 2% annual outturn. This robust approach to income management continues to allow the delivery of the investment plan and a reduced reliance on borrowing.

During 2016 the UK population voted to leave the European Union and on 31<sup>st</sup> January 2020 the UK departed the European Union. The impact of this departure is still uncertain, along with the impact on the Welsh economy. Council's in Wales have received a number of grants from the European Union to support Welsh investment and the future of this investment will need factoring into the business plan as the details emerges. The European Structural Fund supports people into work and training, youth employment, research and innovation, business (SMEs) competitiveness, renewable energy and energy efficiency, and connectivity and urban development. Previously the Vale of Glamorgan Council has benefited from such funding to support energy efficiency projects within the Housing Stock and withdrawal of such funding will require the Council to be more innovative in its business plan if alternative funding is not made available.

Following achievement of WHQS, the Council has now entered the Maintenance phase and the investment programme now concentrates on the wider aspects of the home including the fuel poverty/carbon reduction and improving neighbourhoods. With opportunity to now refocus investment, other programmes of work are now being developed and delivered, covering the following:

- Fencing and boundary treatments
- Environmental enhancements to assist in the management of anti-social behaviours
- Further enhancements to fuel efficiency.
- Providing new homes to supplement the existing housing stock and remove problem areas

This Housing Business Plan identifies sufficient financial resource to deliver further improvements to our housing stock and the communities in which our tenants live, as well as develop new homes for the social rented sector. The Housing Improvement Programme is set to continue the improvement and modernisation of the Council's housing asset and the Council is working hard to ensure the works carried out will meet the needs of the residents and be of the highest standard.

The delivery of the programme will also continue to see wider benefits to the lives of people across the Vale with an emphasis on local labour, the employment of local sub-contractors, apprenticeship opportunities and continued delivery of other added value through community benefits.

We are confident this plan will help us to build a service which is fit for purpose, encourages a culture of learning and improvement, provides value for money and will create safe, attractive and sustainable communities which our residents will be proud to live in. We are committed to achieving this and improving the quality of life for all.

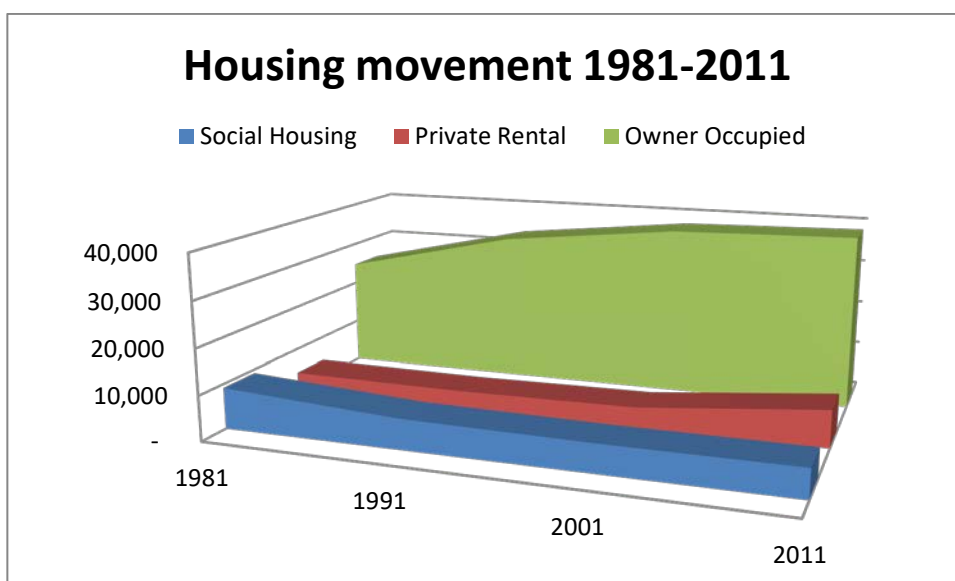
# 1. Introduction

## 1.1 Strategic Approach

At the time of the 2011 Census the Vale of Glamorgan had 53,505 dwellings and of this total 72% of the households owned their own home, 16% of households rented from a private landlord and 12% lived in social housing either rented from the Council or one of the four registered social landlords operating in the county.

Over the period 1998 to 2011, whilst home ownership has remained the most prevalent tenure in the Vale of Glamorgan and the number of people who owned their own home has grown over the last 30 years, although the percentage of homeowners has fallen from 78% in 2001 to 72% in 2011. The percentage of households renting from a private landlord has increased from 9% in 1991 to 16% in 2011 and whilst the percentage increase does not appear too significant, the actual number of households renting privately has more than doubled from 4,033 households in 1991 to 8,379 in 2011. Over the same 20-30-year period of time the percentage of households living in the social rented sector has declined from 24% in 1981 to 12% in 2011.

Social renting is the only tenure in the Vale of Glamorgan where the number of households has declined from over 9,000 households in 1981 to under 6,500 in 2011, a decline of over 30%. For the first time in 30 years the private rented sector has grown larger than the social rented sector in the Vale of Glamorgan. The graph below illustrates these trends.



The Council's most recent Local Housing Market Assessment (LHMA) undertaken in 2019 which is awaiting adoption by the Council's Cabinet and which was conducted in accordance with the Welsh Government's step by step guide 'Getting Started on Your Local Housing Market Assessment' 2014, provides a quantitative approach to calculating housing need. Its results show a need for a total of 890 additional affordable homes per annum over the next five years (2019-2024).

The latest figures suggest 799 social rented units are required each year, which is a significant increase from the 2017 LHMA of 479 additional units, 21 low cost home ownership units and 70 intermediate rented homes. This substantial increase from the 2017 LHMA, is in the main due to the increased number of applicants on the Council's choice-based lettings scheme 'Homes4U' as there were 3,882 in 2017 and 5,986 in 2019 when the LHMA's were conducted.

The Vale of Glamorgan Local Development Plan (LDP) was adopted in the summer of 2016 and established an affordable housing delivery target of 2,914 units over the period of the Plan 2011 - 2026 as appropriate. This has been derived from an assessment of both the 'need' established through the LHMA and the potential delivery of affordable housing from allocated and windfall developments taking into account the viability evidence contained in the Council's Affordable Housing Viability Study. This target relates only to those affordable homes that will be secured through the planning system and excludes both small windfall sites of between 1 to 4 units and any affordable housing units delivered through other mechanisms such as Social Housing Grant.

Whilst the affordable housing delivery target contained in the LDP was lower than the need identified in the earlier LHMA 2017, the Council sought at the time to strike a balance between maximising the delivery of affordable housing to meet the identified need whilst ensuring that the development viability is not undermined to the extent that the LDP is not deliverable.

A revised Local Housing Market Assessment will be delivered in 2021 or earlier if required under the expected new Welsh Guidance.

### **Local Housing Strategy 2015-20**

This provides the vision for housing in the Vale of Glamorgan, and in order to achieve this, four keys aims have been identified all of which are supported by the Council's Business Plan:

1. To provide **more homes and more choice**; ensuring that all residents have access to suitable and affordable accommodation.
2. To **improve homes and communities**; by ensuring housing is maintained and fit for purpose, increasing the supply of good quality, energy efficient home in vibrant and sustainable communities.
3. To provide **better housing advice and support**; ensuring that residents have access to the housing and services they need to live independently and plan their housing futures.
4. To promote **equality of access** to housing and housing services.

These will be achieved:

1. Through the new Council house building programme financed through the Business Plan and Affordable Housing Grant will provide new build homes and sustainable communities. All homes will meet Development Quality Requirements (DQR) and some will be specifically designed to meet the needs of disabled applicants and families on the Council's Accessible Homes Register.

House building contributes to the economy; research shows that for every £1 invested in construction £2.84 of economic activity is created for the wider community. The council house building programme will support the 'First Job Opportunities Programme' so that through targeted recruitment and training this can be concentrated on the local economy. Additional community benefits can be a major factor in helping to tackle poverty and create jobs and training opportunities in the poorest communities.

2. Through the acquisition of additional property available for sale on the open market. This is a small investment project but has opportunity to increase the Council's housing stock each year.
3. Through ensuring all Council homes are maintained to the Welsh Housing Standard (WHQS) levels and environmental improvements are ongoing.

Housing is an important aspect of regeneration and area renewal; investing in housing is an investment in communities. The Council will ensure that by maximising and making the best use of investment in housing it will offer broader benefits to communities as a whole, contributing to sustainable, vibrant and prosperous communities.

4. By providing current Council tenants and prospective tenants with the housing advice and/or support that most people require at some point in their life in order to access or maintain their accommodation. Whilst advice and support are provided and funded through the Supporting People Programme, housing advice is also provided by the Housing Service to an individual or household experiencing difficult personal circumstances caused by factors they may or may not be able to control. The advice and assistance are provided to help them cope with the situation and get their lives back on track. Asking for advice can be proactive and positive, a step towards planning a successful housing future.

In addition to providing on-going advice and support, Housing Service also provide a specialised Money Advice Service to all new Council tenants and those experiencing financial difficulties. The Service assists tenants in maximising their income and provides them with advice and assistance to maintain their home. The Council also continues to contribute to the annual funding, along with its four RSL partners for a 'Tenancy Ready' Officer to provide pre-tenancy training and advice in order to ensure that each new tenant in the social or private rented sector understands their rights and responsibilities before moving into their home.

5. By assisting people in the Vale of Glamorgan to access the right type of accommodation that is affordable, suitable and meets their needs and circumstances. Improving access to suitable housing for all households contributes to an effective housing system; creating more sustainable housing solutions and enabling people to live independently for longer in their own communities.

The Council operates a single choice-based lettings scheme for all social housing in the Vale of Glamorgan, Homes4U, which advertises and allocates the homes. Operating one single scheme provides benefits to residents as they only have to register once to be eligible for five landlords. Homes4U was the first choice-based lettings scheme in Wales and aims to provide greater opportunity for applicants to decide where they wish to live by allowing them to bid for homes in areas they really wish to live in.

The Equality Act 2010 aims to ensure that everyone has the right to be treated fairly when using public services. The public sector equality duty requires all public bodies to:

- Eliminate discrimination, harassment and victimisation.
- Advance equality of opportunity.
- Foster good relations

This forms the basis of the Vale of Glamorgan Council's aim to provide equal access to housing and housing services.



## Corporate Plan 2016-2020

This plan identifies how we will contribute towards achieving the Council's vision – '**Strong communities with a bright future**'.

A new plan is currently being developed to replace the current Corporate plan which will build on the work previously delivered through the 2016-20 plan. The current plan outlines our key priorities for the four years up to 2020 and how we will manage our resources to deliver these. The plan gives an overview of our service, what we aim to achieve, why this is important, how we will achieve it, how we will monitor progress and what success will look like.

It is important the Council has shared values and our service is committed to delivering its priorities within the context of the Council's core values:

- **Ambitious:** Forward thinking, embracing new styles of working and investing in our future.
- **Open:** Open to different ideas and being accountable for the decisions we take.
- **Together:** Working together as a team that engages with our customers and partners, respects diversity and is committed to quality services.
- **Proud:** Proud of the Vale of Glamorgan: proud to service our communities and to be part of the Vale of Glamorgan Council.

Our Council's priorities are contained in the Corporate Plan 2016-20 and are expressed as well-being outcomes and objectives. These were decided upon following consultation with key stakeholders including citizens of the Vale of Glamorgan. Our well-being outcomes and objectives are:

Well-Being Outcome	An Inclusive and Safe Vale	An Environmentally Responsible and Prosperous Vale	An Aspirational and Culturally Vibrant Vale	An Active and Healthy Vale
Well-Being Objective	Reducing poverty and social exclusion	Promoting regeneration, economic growth and employment.	Raising overall standards of achievement.	Encouraging and promoting active and healthy lifestyles.
Well-Being Objective	Providing decent homes and safe communities	Promoting sustainable development and protecting our environment.	Valuing culture and diversity	Safeguarding those who are vulnerable and promoting independent living.

The well-being objectives illustrate the contribution Council services will make to achieving the Well-being Goals for Wales. The Well-being Goals have been established to ensure all relevant bodies in Wales are working towards the same vision as part of the Well-Being of Future Generations (Wales) Act 2015. The Act is about improving the social, economic, environmental and cultural well-being of Wales. The Act is intended to make public bodies think more about the long-term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach. The contribution our service will make to the well-being goals is highlighted throughout our service plan.

Over the four years Housing & Building Services has contributed to the Corporate Well-being Outcomes and Objectives.

<b>Well-being outcome</b>	<b>Well-being objective</b>	<b>Ref</b>	<b>Action</b>
WO1: An Inclusive and Safe Vale	O1: Reducing Poverty and Social Exclusion	IS002	Continue to work with partners to deliver the objectives stated within Financial Inclusion Strategy, including the multi landlords' group to mitigate the negative effects of Welfare Reform on all social tenants living in the Vale.
WO1: An Inclusive and Safe Vale	O1: Reducing Poverty and Social Exclusion	IS002	Commence a suitable estate-based regeneration project in collaboration with the local community and key stake holders.
WO1: An Inclusive and Safe Vale	O1: Reducing Poverty and Social Exclusion	IS002	Continue to work with partners to increase the range of projects and initiatives which support employment, healthy living, financial and digital inclusion and deliver the objectives within the Community Investment Strategy.
WO1: An Inclusive and Safe Vale	O1: Reducing Poverty and Social Exclusion	IS003	Provide information and support to residents affected by Welfare Reform / Universal Credit and raise awareness of staff and partners about the impact of the changes.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS007	Develop a pilot programme of renewable technologies to reduce carbon footprint in the Council's housing stock.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS007	Maintain a focus on the management of empty homes and achieve greater efficiencies through reducing the time taken to re let properties.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS007	Develop a Tenant Scrutiny Panel.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS008	Continue to develop and identify opportunities for the Council House development programme.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS008	Produce a Housing Development Strategy.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS008	Continue to develop an Asset Management/ Investment Strategy for Council Owned Homes.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS008	Review the existing Council Rent Policy to accommodate the new council Housing Development Properties.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS008	Implement the Housing Development Strategy.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS009	Continue our work with partners to provide appropriate accommodation and support services for particular vulnerable groups.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS009	Liaise with Welsh Government and the existing identified traveller community to

Well-being outcome	Well-being objective	Ref	Action
			identify the most appropriate housing solution for their needs.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS009	Work with our partners regionally and lead on the development of the Housing with Care and Support for Older People Strategy to promote independent living.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS009	Implement the recommendations from the Accommodation with Care and Care Ready for Older People report.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS009	Oversee the implementation and monitor the delivery of the interim supporting people guidance using the housing support grant.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS009	Review options to engage OT Services for Council house adaptations.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS011	Work with partners to increase the number of sustainable, affordable homes in the Vale.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS013	Evaluate the key outcomes of the pilot domestic abuse referral and assessment service (DARAC) and source long term funding.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS013	Focus on delivering a more strategic approach with our partners to how we tackle violence against women, domestic abuse and sexual violence.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS013	To implement a regional Violence Against Women, Domestic Abuse and Sexual Violence (VAWDASV) Strategy with Cardiff and Cardiff and Vale Health Board.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS013	Continue the roll out of the National Training Framework for violence against women, domestic abuse and sexual violence.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS013	Develop links with our vulnerable residents and hard to reach groups in line with our Community Cohesion Plan.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS014	Continue to prevent and tackle incidents of anti-social behaviour including implementing restorative justice approaches for young people.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS016	Develop and promote a new Community Safety Strategy for the Vale of Glamorgan.
WO3: An Aspirational and Culturally Vibrant Vale	O6: Valuing culture and diversity	AH2	Work with partners to develop the new Cardiff & Vale Substance Misuse Commissioning Strategy 2018-2023, providing support, information and effective interventions.

## **Housing Service Plan 2019-2023**

Our service plan is reviewed annually and is informed by and reflects the environment within which our service operates. As well as contributing to the well-being outcomes and objectives from our Corporate Plan, our service has taken the following into consideration when drafting our plan:

- The Housing Service Annual Self-Assessment which provides an overall position statement for the year based on specific issues relating to performance, customer experience, and the use of resources (workforce, financial, ICT and assets);
- Our budget including planned service savings and efficiencies and the implementation of the Council's Reshaping Services Change Programme;
- Relevant Welsh Government and National Government legislative and policy changes;
- Vale's Single Integrated Plan
- The Council's Housing Business Plan providing information on the ability to deliver the service objectives including the building of new Council housing to meet the specific needs of the communities.
- Strategies and plans under which the service takes its direction including but not limited to the Local Housing Strategy, Financial Inclusion Strategy; Housing Revenue Account Business Plan
- **Team planning sessions** held across the Division. The Division takes a holistic approach to service planning whereby team planning is not only driven by the objectives of the service plan but also feed into the service planning process i.e. planning is integrated.

### **1.2 Housing Service Objectives**

The Council is committed to providing effective housing services. We recognise good strategic planning and partnership working are integral to ensuring the services provided meet the needs of our customers both now and in the future and are fundamental to services representing value for money. By working closely with our tenants, we will ensure our tenants homes are in a good state of repair, they are safe and secure and they meet the diverse needs of different households. We are committed to promoting equality of opportunity and recognise the contribution good quality housing makes to our communities as a whole.

Housing Services directly manage just under 3,900 tenancies throughout the Vale of Glamorgan which range from bedsit flats to four-bedroom houses. Some of the dwellings are for specialist needs with sheltered housing for older people and others which have been adapted to meet the specific needs of our disabled tenants.

The Council aspires to provide high quality landlord services by listening and responding to our current and future customers to ensure our services and properties meet customer needs.

Our mission is to provide a 'Quality of Service, Quality of Life' and our aims are detailed below.

- We respect and value our customers;
- We know our customers and understand their needs;
- We provide value for money services;
- We work with partners to create sustainable communities;
- Our staff are professional, know what is expected of them and trained and supported to achieve their potential;
- We create a culture whereby everyone has a positive 'can do' attitude taking ownership and responsibility;
- We get things right first time every time;
- We are innovators, seeking to go the extra mile, sustaining existing customer relations and developing new ones;

- We are a listening and learning team;

These aims are based around the core values of: respect, trust, excellence, having a listening and learning approach and a 'Can do' attitude;

The Council Housing Service Plan 2019/20 is attached as Appendix A which includes our forthcoming actions and service standards including notable achievements, key performance information and targets.

### **1.3 What is a Housing Revenue Account (HRA) Business Plan?**

The HRA Business Plan will:-

- Explain the Council's approach to maintaining the Welsh Housing Quality Standard (WHQS) and managing its housing service.
- Inform Members & Tenants.
- Review & adjust the 30-year financial model.

The HRA Business Plan is a statement of intent explaining how the Council will develop its response to tenants and leaseholders across a range of housing activities. These include improvements to its housing stock, housing management services, responsive repairs, providing support services to older and vulnerable tenants, sheltered housing, estate environmental improvements and new Council housing.

The HRA Business Plan is supported by a 30-year financial model which projects future rental levels, running costs, construction costs and inflation levels. It identifies the funding sources required to meet the improvement programme, including the borrowing required to support the level of capital investment works. This financial model has been subject to a number of stress tests to ensure it remains viable following potential external challenges and influences, including the impact of the recently announced Welsh Government's new rent policy for social housing. The HRA Business Plan is a key driver for the Council to maintain its housing stock at the WHQS and in providing its tenants with quality modern facilities, which will be maintained in future years.

### **1.4 Housing Improvement Governance Structure**

As part of this revised governance structure (Set out in Appendix B), brought about by the change in management, the performance management of the investment programme including the maintenance of the WHQS to the housing stock, is controlled through the Housing performance framework where it is subject to direct scrutiny from the client.

Appropriate levels of financial resource are available to provide effective supervision of individual projects and to ensure the 'Welsh Housing Quality Standards' is considered in all work programmes.

In addition to the internal management arrangements, the Council recognises the importance of tenant engagement and participation. The Quality and Design Forum (QDF) therefore, continues to play an essential part in monitoring and challenging programme delivery. This includes regular meeting with the tenant QDF members and framework contractors.

Appendix C outlines the Housing Improvement Team Structure for delivering the investment programme including WHQS maintenance work. The Tenant's Governance Structure has been

established to help deliver the Housing Improvement Programme, which includes a Tenants Quality & Design and Sheltered Housing Forum with a chair and tenant representatives.

## **1.5 Delivery of Improvement Programme**

Following completion of the Major Investment programme for WHQS, the Council has been and will continue to use a combination of external contractors and the in-house service provider (DSO), to deliver the Housing Improvement Programme. The appointment of the external contractors is based on project size and skill sets with all projects being procured through Sell2Wales. Each contractor will be assessed as part of their tender submission and assessed against a set of quality criteria which follows i2i's SME Friendly Procurement Guide ("Can Do Toolkit"). There is an obligation on each contractor to commit to the following:-

- Using local subcontractors.
- Employing local labour.
- Supporting the local supply chain.
- Employing and training local apprentices (minimum of one apprenticeship per £1m spend).
- Creating employment and training opportunities.
- Supporting community initiatives.
- Employ sustainable practices.

Work is continuing to concentrate on the maintenance of WHQS, decarbonisation and other improvements to our homes and estates including environmental improvements. Contractor contributions in the form of Community Benefit funds are being utilised for local initiatives and improvements which tenants would like to see within their own communities.

A WHQS compliance policy has been adopted by the Council, as requested by the Welsh Government, to provide detail of the Council's process for interpretation and resolution of 'Acceptable fails'.

Improvement and investment work are largely focused on maintaining the housing stock to WHQS requirements, improving estate infrastructure to reduce the fear of crime and generate a pride of place, improving the building fabric to reduce damp and condensation, improve energy efficiency and remodelling the stock where necessary to provide appropriately sized accommodation which meets housing need.

## **1.6 HRAS Buy-out**

The eleven remaining Welsh Local Housing Authorities exited the HRAS (Housing Revenue Account Subsidy) System on 2nd April 2015 following an agreement reached between The Welsh Government (WG) and HM Treasury. The agreement saw Welsh Local Housing Authorities (LHAs) drawing down loans from the Public Works Loan Board (PWLB) of £919.5M in order to 'buy themselves out' of the current Subsidy system. During the last year, all councils in Wales have seen the Borrowing Cap removed, which now means a greater amount of financial flexibility through Prudential Borrowing.

Unlike previous plans, this plan is the first to test affordability through prudential borrowing principles.

## 1.7 Rent Levels

In December 2019, the WG announced its new five-year rent policy to fix the level of rent increases for the period from 2020/21 to 2024/25, for social housing. The maximum allowable uplift has been set at CPI + 1% each year as long as CPI stays within the prescribed range. However, the rents could be increased by CPI + 1% and up to an additional £2 on condition that other rents are either frozen or reduced so that our overall rent increases for all stock is no greater than CPI + 1%.

The Vale of Glamorgan's 2020/21 average weekly rent (based on 52 weeks for Business Planning purposes) is anticipated to be £99.79. This was calculated based on an average increase of 2.7%, which is CPI (1.7%) plus a further 1% per week and is in line with the new rent policy for Wales.

## 1.8 Welfare Benefit Reforms

Welfare Reform Act 2012 introduced a number of significant changes to the benefits people receive and how they receive them. The changes include: introduction of a cap on the level of benefits people can receive; the removal of the spare room subsidy; replacement of Disability Living Allowance (DLA) with Personal Independence Payment (PIP) and the introduction of Universal Credit (UC) in October 2018. Currently, 62% of Council tenants receive help towards their housing costs via Housing Benefit which equates to just under £11m in income per year. Estimates from organisations where roll out of Universal Credit has taken place, have identified that around 35% of this income is at risk through direct payment to tenants. This equates to around £4m in the Vale of Glamorgan. Some of the most significant risks are posed by the following changes:

Introduction of the Benefit Cap restricts the total amount of benefits an out of work claimant can receive. Initially introduced at £23,000 for couples and lone parents, the cap has been reduced to £20,000 and has applied to people living in the Vale of Glamorgan since November 2016.

The cap has affected 27 Council tenants, some of whom have lost nearly all of their entitlement towards Housing benefit. All tenants have been visited and offered a Money Advice appointment to help review what benefits are claimed, maximise income and to budget accordingly.

Removal of the 'Spare Room Subsidy' has resulted in tenants with 'extra' bedrooms having their Housing Benefit (HB) reduced by 14% or 25% dependant on the number of extra bedrooms they have. This has affected 312 tenants and has had a significant impact on their ability to pay their rent. A number of initiatives have helped mitigate the negative impact, including Discretionary Housing Payments (DHP), incentives to downsize, support to swap homes with other tenants and money advice. These measures have helped minimise arrears and ensured that no tenants have been evicted solely as a result of arrears incurred as a result of the removal of the spare room subsidy.

Changes to Welfare Reform regulations announced by the Government at the end of 2017 meant Council tenants under the age of 35 continue to be eligible for Housing Benefit at the current rates of entitlement and plans to cap the level of payments at the shared room rate (SRR) were suspended. This meant younger people continue to receive sufficient HB to cover their rent (so long as they are eligible and occupy appropriately sized accommodation). In addition, removal of the intention to cap HB payments to Council tenants at the Local Housing Allowance (LHA) rate,

has prevented some tenants accruing arrears due to a shortfall in their HB. It also means the Council has more flexibility when considering future rent increases.

Universal Credit (UC) - is replacing many existing benefits and provided both in and out of work support for working age claimants. Universal Credit is the biggest change to the benefit system in a generation and has already had a huge impact on Council tenants. It started in the Vale in February 2016 but was restricted to new claims from single job seekers, the scheme was rolled out to all new claimant types from October 2018.

To date 570 Council tenants have been switched to UC, and there has been a significant impact on them and their ability to pay their rent. The majority of the UC claimants are in arrears with the average level of debt being £500 as opposed to Housing Benefit arrears which are £150. Based on this experience and the findings from research into pilot areas (where UC has been fully rolled out), there is a significant threat to the Council's rental income.

The Council has been working hard to support affected tenants through the changes and to adjust its business planning to reflect the impact the changes are likely to have on its rental income. A number of specific initiatives and steps are being taken to manage the risks posed, including:

- Expansion of the Money Advice Service- three Money Advisors have now been recruited, increasing the number of tenants we have helped and increasing the range of specialist advice, including income maximisation and debt advice. Over the last 10 months, over 567 money advice sessions have taken place and have resulted in an additional £120,619 worth of income for tenants in additional benefits, backdates and grants
- Awareness raising- a range of articles, newsletters and leaflets have been used to make tenants aware of the welfare reform changes and impacts. The messages have included the importance of getting online, opening a bank account and household budgeting. This has helped households to understand the changes and prepare in advance.
- Multi agency work- a Financial Inclusion Group has been established bringing together partners from a wide range of public and voluntary sector agencies to address emerging themes such as the need to share information, communications and joint working. A multi landlord group is also being set up to include the Registered Social Landlords operating in the Vale to ensure consistency and partnership working.
- Tenant profiling- improvements to the information held about tenants, including their personal circumstances, is helping the Council to identify people who are likely to be affected by specific changes and enables us to target advice and assistance towards those who need it most.
- Tenancy Ready- this project has been established to provide training, advice and support for new tenants in order to improve tenancy sustainment. A key part of this will involve assessing the financial capability of new tenants and ensuring they are able to pay their rent.
- Community Investment initiatives- a range of community initiatives are supporting people to get into employment which ultimately reduces the reliance on benefits and the impact of welfare reform. Projects, including coordination of training and work experience opportunities, digital inclusion and healthy living initiatives increase tenants' knowledge, skills and confidence levels.



## 2. Tenant Involvement

### 2.1 Introduction

Consultation exercises with tenants have clearly shown that the delivery of the Housing Improvement Programme is not just about “bricks and mortar” or upgrading the housing stock it is about ensuring the improvements and upgrades meet the needs of the families using them. It is therefore essential to involve tenants and leaseholders in developing investment programmes to take their views into account if the project is going to deliver value for money. Failure to effectively engage tenants, leaseholders and residents can lead to such improvement programmes not resolving problems or being over engineered which waste valuable resource.

The Council is committed to consulting its tenants and seeking their views so the stock is well managed, located in safe and attractive environments and meets their specific needs. It is encouraging to experience more and more tenants and leaseholders taking a positive interest in working with the Council in order to both maximise the stock improvement opportunities and influence service delivery. Two Community Investment and Involvement Officers provide an important resource to take forward the objectives in the Community Investment Strategy. Additionally, the tenant liaison team also take a proactive part in the development of specific schemes. This Strategy sets out our approach to community investment highlighting the need to add value to our local communities. The process of identifying the most appropriate improvements in each area; is carried out in partnership with residents and stakeholders. By doing this, we can improve the quality of life for residents and create vibrant, sustainable places where people want to live. The priorities include:



In addition to the Community Investment Strategy, a revised Tenant Engagement Strategy has been endorsed by the Council’s Cabinet. This is designed to build on the improvements put in place by the previous Strategy using a flexible menu of involvement to engage a broader range of tenants from different backgrounds and demographic groups. This approach has been designed to appeal to a greater number of tenants and be more representative of the broader tenant population. Specifically, there are four key objectives in the strategy which include:



## 2.2 HIP - Tenants Governance Structure

The Tenant Governance Structure is provided at Appendix D and outlines the governance structure for various tenant's groups operational within the Borough. All of the formal groups report to the Tenant Working Group, which monitors and coordinates the actions of the various satellite groups. The satellite groups are attended by various officers who support and respond to the issues raised through the groups. This enables issues affecting tenants and residents to be addressed by the relevant officer, who is also then monitored by the individual groups on progress.

In addition, four tenants are elected on an annual basis and co-opted onto the Homes and Safer Communities Scrutiny Committee who meet on a monthly basis with Vale Councillors and Officers in the formal scrutiny meetings. A pre-meeting is held between Senior Managers and Tenant Scrutiny members, prior to the Scrutiny Committee meeting taking place where documents are discussed and questions raised. The Co-opted tenants sitting on this group have similar opportunity to members on questioning performance and speaking on reports, although they cannot vote on decisions.

## 2.3 Tenant Working Group

The Tenant's Housing Working Group was established as the main tenant working group, to which all Tenant and Resident Associations and forums feed in to :-

- Main tenant consultation group;
- Chair of the working group must be a tenant and the group includes a Vice Chair and Secretary;
- Group meets approximately eight times per year;
- Working Group approves project funding for other tenant groups.

Annual TPAS training course are arranged for all working group members and members of staff and covers such areas as customer service, tenant engagement and scrutiny

The working group also participates in reviewing the STAR survey, which was sent to all tenants who reside within our properties. They also support the QDF regarding component specifications and housing neighbourhood management policy and strategy reviews. The group also assists with the planning and running of the annual tenants' fun day event, FestiVale.

## 2.4 Tenants Quality & Design Forum

The tenants Quality & Design Forum (QDF) was established to oversee the Housing Improvement Programme and to work in partnership with the Council. The forum has a membership of six tenants who continue to be voted on by the working group members on an annual basis at their annual AGM. To date, the QDF are involved in the following:-

- The review of the Residents Access Protocol, which provides a minimum standard to be followed, this protocol covers areas such as Communication, customer care, equality and diversity, behaviour, protection and respect for the home. This protocol applies to all contractors working on repair, maintenance, improvement and refurbishment programmes commissioned by the Council when working on tenant's homes.
- Scrutiny of contractor's performance against this protocol.
- Reviewing and scoring quality submissions from contractors.
- Interviewing contractors during the tender process in association with Council staff.
- Consideration of specification issues for the Housing Improvement Programme.
- Monitoring key performance indicators for gas and electrical servicing.
- Contribute to the Tenant 'Star' Survey and resulting actions.
- Attend site monitoring meetings for investment programme works.
- Visit void properties to monitor the void standard when passed back for re-letting.

In addition to this, a significant role for the QDF during the Housing Improvement Programme is to review the performance of contractors on an ongoing basis (particularly the monitoring key performance indicators). Contractors on major projects are required to attend the QDF on a quarterly basis to be scrutinised by tenants on their performance. The QDF are also being consulted on opportunities to be involved in contributing to the specification and monitoring quality and progress of the Council's new build programme.

## 2.5 Sheltered Housing Forum

The Sheltered Housing Forum meetings are held 6 times a year. There are 5 Sheltered Schemes in the Vale of Glamorgan i.e. Llantwit Major, Cowbridge, Barry, Dinas Powys and Penarth. Meeting venues are rotated around each scheme providing at least one meeting per year in each of the locations giving local residents an opportunity to attend at least 1 meeting a year. Transport is also provided for those residents who wish to attend meetings in other schemes, outside of their area.



Officers of the Council are invited to attend Sheltered Housing Forum meetings where issues of concern are discussed with residents e.g. scooter storage, disabled toilets, parking arrangements, pathways, the TeleV call system, street lighting and replacement furniture in lounge areas to name but a few. Regular walkabouts are also conducted and active tenant representatives are encouraged to participate in these so a local perspective can be applied to these walkabouts

Consultation is taking place with residents at Longmeadow Court, Cowbridge, where major internal/externals work are planned for 2020/21.

At Gwenog Court major works have started in this sheltered scheme and will continue into the new financial year. Tenants are regularly met to ensure the works are progressing satisfactorily without causing unnecessary upset and distress. Where issues are identified action is taken to mitigate any concerns.



An Annual Sheltered Housing event is organised for residents to thank them for their continued support and assistance in their Forum meetings.

### **3. Welsh Housing Quality Standard (WHQS) & Improving Homes**

#### **3.1 Maintaining the WHQS and Capital Programme**

At 31<sup>st</sup> March 2018, the Council achieved WHQS for all its dwellings. The Council has since entered into the maintenance phase of WHQS compliance. The tables below show the number of fully compliant properties and ‘acceptable fail’ properties as of December 2019.

Year	Acceptable Fail (AF)	Fully Compliant	Grand Total
Dec 2018	733	3131	3864
Dec 2019	677	3175	3852

AF Reason	Number
Cost of Remedy	6
Physical Constraint	311
Residents Choice	355
Timing of Remedy	5



The business plan incorporates the most recent investment requirements as identified by our Housing Asset Management System (Keystone) which includes historic stock condition survey data from Savills and our own survey team in their Stock Condition Survey (SCS). Prior to delivery all works will be validated to ensure they are required as identified from the Keystone reports and will be scoped to ensure they capture all necessary elements. Where the validation survey identifies the works can be delayed, this will be considered to enable smoothing of the investment programme and ensure money is effectively targeted to meet the maintenance needs of the housing stock.

Preliminary costs are included in the projected investment calculations and professional fees of 10% have been added. Further capital costs have been included for Preliminary works including items required to deliver any particular contract, such as management costs, security, site set up costs, insurances, quality control, and temporary works if applicable.

### 3.2 Maintaining the Welsh Housing Quality Standard (WHQS)

At 31<sup>st</sup> March 2018, the Council attained the WHQS to all its housing stock and from this date has entered the maintenance phase of this standard. With many of the attributes contained within the standard having time limitations on them, it is recognised the Council's investment programme will have to continue to invest in WHQS works to ensure the standard is maintained. The table below provides a summary of the number of components which have been delivered during 2019/20 and forecasted for delivery during 2020/21.



Component Types Delivered in the Year	Delivered 2019/20	Forecast 2020/21
Back or side Door	1	65
Bathroom	14	11
Boundary Walls	1	3
Canopy	47	23
Chimney Removed / Repaired & Repointed	28	57
Communal Internal Doors & Windows	250	150
Consumer Unit	7	
Disabled Adaptations	108	6
Fascia/Soffits and Bargeboards	114	134
Fences, Gates and Hedges	45	60
Flat Roof Covering	19	30
Front Door	90	63
Kitchen	26	50
Loft Insulation	62	42
Non-Traditional Build Types	3	4
Off Road Parking	2	0
Outbuilding Flat Roof	94	103
External Store Doors	0	165
Paths	79	45
Patio Doors	1	0
Pitched Roof Covering	1	10
Primary Heating and Hot Water Source	18	0
Rainwater Goods	113	127
Steps	22	22
Painted Property External Walls	70	0
Installed Wall Insulation	49	109
Wall Ties	47	1
WC	1	0
Windows	76	94
Wiring	414	129



The Council has closely monitored and apportioned/recorded the cost for undertaking the works to ensure the actual costs incurred are within budget and that a robust contingency sum is in place to deliver the Housing Improvement Programme. The following chart provides the main component budget cost and anticipated lifetimes as extracted from the original stock condition report:

Component	Budget (£)	Component Lifespan (years)
Kitchens	4,162	15
Bathrooms	2,585	25
Heating Boilers	3,210	12
Heating (Distribution)	Included Above	30
Rewiring	2,000	25
Roof Covering (synthetic slate)	10,800	35

During the second year of the WHQS maintenance phase (2019/20) the Housing Capital Projects Team has completed validation surveys to around 35,000 components identified on the housing asset management system (Keystone) in order to forecast the next 5-year maintenance and replacement requirements and associated costs.

During the delivery of the planned programmes, the Council monitors the experience its tenants and leaseholders are having. We have set a high target of 9 out of 10 and the table below show the feedback received last year and the current position of the feedback for 2019/20.

KPI	KPI Description	2018/19 End of Year Averages	2019/20 End of Year Averages
<b>OVERALL PERFORMANCE</b>			
1	Overall Satisfaction with the Works (Tenant):	81.96%	89.66%
a)	Overall Satisfaction	81.12%	86.84%
b)	Cleanliness & Care	82.56%	89.03%
c)	Communication	82.81%	88.34%
d)	Overall Process	86.31%	92.90%
e)	Quality of work	85.18%	91.17%
f)	Overall Service	81.96%	89.66%

There has been a positive improvement across each KPI when comparing previous year's scores, although the Council has received some negative feedback regarding the planned work, with the most common complaint being the works took too long. The Housing Capital Projects Team will continue to work hard with tenants, Quality Design Forum members and its contractor to ensure works are completed on time, within budget and the best experience possible.

There are a number of major improvement schemes ongoing during 2019/20 & planned for 2020/21 and these include:

- **Internal communal areas** are scheduled for improvement work and decorations to the stairwells. The scheme is programmed to be completed 2020/21 at an estimated cost of £2m.

- **Communal area fire door replacement Scheme** – The Council identified in 2016 that there was a need to undertake a programme of upgrades to communal area fire doors (including flat front doors) and to date has upgraded all fire doors with blocks of 3 storey's and above within our stock and have commenced replacement to blocks of 2 storey and will continue to deliver these upgrades during 2019/20 & 2020/21.
- **Aireys Type 1 properties – Castle Green, Peterson Super Ely** – The Council has identified 4 properties requiring extensive refurbishment both internal and externally. The refurbishment programme has been put together and includes new single storey extensions to the properties. This work will enable these properties to achieve WHQS compliance.
- **Buttrills Estate Environmental Improvement Works** - To date 11 environmental improvement projects have been identified for the Buttrills Estate. The first project is on track to be completed in 2019/20 additionally another 4 projects are on track to start in 2019/20 and be completed in 2020/21. The remaining 6 projects will be designed and delivered in 2020/21. Additionally, a number of other improvement schemes are continuing in 2019/20 including, a) balcony refurbishments, b) demolition of bin stores, C) new front gardens to 2 storey blocks of flats, d) new ramps and handrails.
- **Garage Compounds** – Work has commenced on a programme of works to undertake demolition and improvement of a number of garage compounds where the existing garages have come to the end of their economic life and will continue to be delivered through 2020/21.
- **Garage Repairs Programme** – All garage survey data has now been uploaded into Keystone and we are now in the process of putting together a garage repair project to start in 2020/21.
- **WHQS Compliance Programme** – Data collection and evaluation of existing housing stock data has continued with the aim of developing a programme of works to fully support the continued requirement to meet the WHQS standards. This will involve the commencement of a number of major refurbishment projects covering all aspects of stock upgrade and maintenance. It is currently planned for these major projects to continue to be delivered during 2020/21 and year on year thereafter;
- **Remodelling of Assets** – A number of remodelling projects are planned to a select small number of properties to remodel as single persons accommodation in an attempt to meet a changing demand in accommodation type.
- **External refurbishment of Longmeadow Sheltered Housing Scheme** – This scheme will involve the replacing cavity wall ties, repairing defective render and installing a replacement roof and external wall insulation. This will commence in 2020/21.
- **Severn Ave Flats** – Due to structural issues with the flats and a need to modernise the access, an external refurbishment scheme has been developed to improve access, thermal efficiency and aesthetic appearance of the blocks. This will be delivered in 2020/21.
- **Section 20 projects** – There will be two schemes delivered during 2020/21 containing external refurbishment works affecting leaseholders. The first being for 27 blocks and the second for 17 blocks.
- **Fairoaks environmental refurbishment scheme** – We have completed consultation on this scheme and it will be delivered during 2020/21.
- **New security doors to blocks of flats** – A scheme to replace security doors to 24 blocks of flats has been developed and will be delivered in 2020/21.
- **New porches to Pontalun Close** – A scheme to replace security doors to 24 blocks of flats has been developed and will be delivered in 2020/21.
- **Properties with Major Damp issues** – To date 11 properties have been identified with major damp issues and work has been identified to rectify this. These will be completed in 2020/21.

- **Environmental Improvements Owens, Irving & Williams** – A scheme is being put together to carry out environmental improvements to the estate to include for new drying areas, garden improvements, fencing, parking areas, paths and steps. This will be delivered during 2020/21.
- **External refurbishment programme for blocks of flats** – A range of external component replacements have been identified for the external communal areas of blocks of flats this work will be packaged and delivered via a number of projects in 2020/21, 2021/22, 2022/23.

The majority of garage sites identified for demolition have now been demolished. Funding is identified in the plan for the next five years to work on maintaining the remaining garage stock. A garage strategy is being developed to complement the Environmental Strategy.

Some garages have come to the end of their economic life and the strategy and plan will identify a way forward for sites which in some cases will mean the sites will be cleared with the space remodelled to provide a better solution for local communities.

The Housing Service also has responsibility for housing owned highways and footways and the Councils Highways Team have been commissioned to undertake condition surveys and “what if scenario plans/ report” to enable a sensible way forward to be determined.

We have now introduced and undertaken planned repairs for the last 6 years and a further five years of funding (£1.5m) has been identified to deliver the future programme.

Environmental and Estate Improvements have been secured in the plan at £11.9m over the next five years. Two Community Investment officers will lead on the Environmental Strategy and Action Plan, working in consultation with local communities. The scope of the Environmental Improvement Programme has been increased with the additional funding being made available for garages and highway improvements

Fuel Poverty is a major problem for some tenants and with key internal improvements now completed, energy improvement measures are now being considered as part of the external and decarbonisation programmes. Each property will receive a tailored solution to ensure the best solution for the investment, whilst aiming to reduce fuel expenditure.

The seaside location of many of our homes has resulted in concrete and render which has deteriorated/ failed leaving significant structural problems that will need to be remedied. Issues with poor render has also had a detrimental impact on cavity wall ties, which will need to be repaired.

External painting which forms part of cyclical maintenance programme has been historically under-resourced, funding has been made available in the plan for external painting of homes and internal decoration to communal areas in flats. This will be phased in to complement existing programmes and to make use of existing scaffolding access and undertaking decoration in block communal areas following improvement work.

The proposed investment programme is set out at appendix E.

### **3.3 Stock Condition & Validation Surveys**

In the first instance the Development and Investment Team conducts stock condition surveys (20% of the stock) on an annual basis to ensure that the housing asset information is as accurate



as reasonably practicable for report forecasting on-going business components replacement costs over a thirty-year period.

All programmed works will receive a validation survey to ensure the works are required as identified through the Keystone investment reports before any further work is undertaken. Should the attribute be found to have further remaining life, officers of the Council will discuss the option to continue with the project or to amend the stock database with a new life expiry date. This will enable the Council to control its investment programme giving opportunity to react to new emerging investment need or premature failure of attributes in other areas.

On completion of the validation survey the work will be fully surveyed and scoped to ensure all works are included to maximise the investment opportunity. For example, this may mean chimneys are removed or replaced during replacement roofing works to reduce ongoing maintenance and enable maximum benefit to be obtained from the erection of a scaffold which will reduce the need to erect another scaffold later. This approach will accelerate some areas of investment but will provide expenditure efficiencies over the life of this plan.

### **3.4 Environmental Improvements**

The Council wants its estates to be safe and attractive places where people are proud to live and have the following vision:-

“All residents in the Vale of Glamorgan have access to good quality, suitable housing and are able to live happily and independently in vibrant, sustainable communities.”



Recognition of the need for additional resources has resulted in two Community investment officers' posts within the Housing Service and the preparation of an Environment & Neighbourhood Strategy and Action Plan.

This Strategy continues to set out our approach to foster cohesive, attractive and thriving neighbourhoods where people want to live. One size doesn't fit all; every community is different, so our approach will reflect this via unique estate action plans.

The quality of the immediate environment has a big impact on quality of life and well-being for local residents. This includes the physical environment, cleanliness of our streets, green spaces and communal areas. For this reason, the Council is committed to investing in the local environment of our estates; under certain conditions this may include the redesign or reconfiguration of estates, improvements to communal areas or making better use of open spaces.

As well as the physical environment, the social infrastructure is very important as this is the sense of community, feeling safe and the ability to access services and amenities. The investment priorities in the Environmental & Neighbourhoods Strategy are closely aligned to the Community Investment Strategy to ensure the maximum benefits are achieved within available resources for our most challenging areas.

Research has shown the impact of the physical environment on residents' quality of life. The Welsh Government's Vibrant and Viable Places Strategy; highlighted the benefits which are achieved by investing in people and places by creating well connected, vibrant, viable and sustainable communities. This Strategy plays a pivotal role in the regeneration and improvement of areas to address individual issues within the local environment and neighbourhoods.



The Council's Corporate Plan 2016-2020 identifies the high priority given to the environment in two of its key Well-being outcomes, namely: 'an inclusive and safe Vale' and secondly, 'an environmentally responsible and prosperous Vale'. There are also a number of key objectives which support the well-being outcomes, including: reducing poverty and social exclusion, providing decent homes and safe communities, promoting regeneration, economic growth and employment, promoting sustainable development and protecting our environment.

The Welsh Housing Quality Standard (WHQS) sets out the minimum standards for social landlords in Wales regarding the environment. The guidance provides;

- "All dwellings should be located in an environment to which residents can relate and in which they can be proud to live"

As part of the Vale of Glamorgan Council's Strategy for improvement to social housing standards, the Council has set down its own vision based on WHQS:

- "Safe, clean and attractive places where individuals and communities have sustainable opportunities to improve their health, learning and skills, prosperity and well-being; and
- Where there is a strong sense of community in which local groups and individuals have the capacity and incentive to make an effective contribution to the future sustainability of the area"

Landlords have adopted different approaches; some have regarded the environment as a priority and set aside large sums of money for investment, whilst others have focussed more on the internal improvements to tenant's homes giving less regard to the local environment.

This strategy recognises the Tenant Participation Advisory Service (TPAS) Cymru Guidance on "Interpretation of the WHQS Environmental Standard" as good practice when considering environmental improvements.

The Housing Business Plan sets out the Council's significant commitment to funding improvements in the Environment.

- Over £11.9million is set aside for Environmental and Estate Improvement works over the next five years.
- Revenue commitments have been made to continue to fund two Community Investment and Involvement Officers.
- Participatory budgets of £10,000 pa for smaller, resident led schemes in each of the 4 neighbourhood management areas (total of £40,000) plus an additional £20,000 allocated to the 2 Senior Neighbourhood Managers to fund additional improvement projects.
- An allowance of £50,000 per annum of the plan to improve the safety of estates through community safety initiatives such as fencing, street lighting or landscaping. The fund will pay for individual projects up to £5,000 where resident groups through tenant panels will bid annually for funding. Again, this will be progressed via the Environmental Improvement working group.
- Allocated funds totalling £20,000 per annum which is provided through the revenue account to tackle small scale projects that benefit the community. Each group can submit a bid of up to £2,000 (unless match funding can be achieved) in any one year. The bids are assessed and approved by the Tenants Panel and are small-scale one-off projects which bring value to the local environment.
- Two environmental remodelling schemes have been identified to be delivered during 2020/21 & 2021/22 as a result of the neighbourhood walkabouts and actions plans. The schemes at Trebeferad, Llantwit Major and Fair Oaks, Dinas Powys will address parking issues, provide safer crossing areas for pedestrians, and provide access for refuse vehicles and improvement look of the grass verges.
- Fencing and boundary wall placement works will continue to be delivered over the next five years. This will provide added security and private spaces for our tenants.

It is the intention to continue with this funding for a number of years in order to build the capacity of local communities and increase empowerment to take the lead in their own areas.



### **3.5 Keystone Housing Asset Management System**

The Council has invested significant resources in establishing an asset management database populated with 100% of the housing stock condition surveys and this knowledge of the housing

stock has been used to shape the Housing Improvement Programme and the future annual life time renewal programmes to ensure our stock remains WHQS compliant.

The Keystone system was set up and implemented in June 2011 to provide a much better knowledge of the housing stock and more effective housing asset management. The system can provide:

- Investment planning.
- WHQS returns.
- “What if” scenario planning.
- Asbestos register.
- Contractor & planned programme management.
- Energy management.
- Accessible Home Register.
- Servicing information.

The system is instrumental in the Council managing its homes effectively and great strides are continuing to be made over the last year in improving data entry, so improvement work is captured on the system and the Business Plan is now produced using the system.

The following improvements have been made over the last year:

- Upgraded Keystone to the latest version – September 2019.
- Data cleansing of the recorded “Adaptation Status” on each property to allow us to confidently report on properties which are classed as partially adapted, fully wheelchair accessible and lifetime homes.
- WHQS Compliance Reporting – further work has been undertaken to improve the accuracy and validity of data, allowing us to report directly from Keystone.
- Energy efficiency & SAP scores – all property energy records have been through a process of assessment and analysis to ensure correct data is held and energy assessments have been recalculated to show accurate SAP scores.
- In order to meet the demands of the service, additional staff have continued to be employed to help ensure Keystone information is updated in a timely manner to ensure reporting is accurate.
- Training has been delivered to the Corporate Health, Safety and Wellbeing and Tenant Liaison Teams to expand their knowledge in how to access information that is readily available within Keystone.
- Reviewed the 34% of the data held within the asbestos register.
- Integrated the mobile working technology, available within Keystone, in the surveying process for planned works.

Going forward, our aim is to ensure that everyone in Housing and Building Services uses Keystone to its maximum potential.

The system has functionality the Council is keen to capture and Housing and Building Services are committed to further improvements in smarter working in the future e.g. introduction of the compliance dashboard & contractor access portal.

### **3.6 Minimising & Recording “Acceptable Fails”**

The Council recognises the need to monitor compliance with WHQS and has produced a policy on the interpretation and application of the WHQS by the Council, which includes; how ‘Acceptable Fails’ will be addressed by the Council, the resources available for maintaining the WHQS standard, how the data is managed and recorded and the validation process to ensure the data is reliable and robust. Acceptable fails can be one or more of the following:-

- Cost of remedy.
- Timing of remedy.
- Residents’ choice.
- Physical constraint.

All “Acceptable Fails”, are recorded on the Council’s Keystone Asset Management System and are addressed, where practicable, at the void stage before new tenants commence their new tenancy. For properties with long-term resident tenants, it may be necessary to programme improvement works to be completed either by temporarily decanting tenants or working with tenants to minimise any disruptions to their daily lives whilst they stay at home.

### **3.7 Leaseholders (Service Charges)**

The Council has an obligation to all of its leaseholders to maintain the buildings in which their properties are located. In proceeding with the Housing Improvement Programme to meet the WHQS, leaseholders are responsible for a proportion of costs of the improvement works (to the external fabric of building).

There is a need for consultation as there are legal steps that need to be followed in order to ensure the costs of works are able to be recouped by the Council. The process for consultation has commenced and all leaseholders across the Vale (302 in total) have been issued the required notices i.e. Stage 1 and 2 of the Service Charges (Consultation Requirements) (Wales) Regulations 2004. The external works programme has now commenced and leaseholders have been issued, in accordance with the relevant legislation, notices and estimates of work identified and the proportion of costs that they will be liable for.

It is important all capital and revenue work to leasehold properties are recoverable from the leaseholder, it is therefore critical a robust procedure is in place to maximise recovery. The Council understands that the considerable investment in the repair and maintenance of our properties will lead to some leaseholders having to contribute, in some cases, significant sums of money. We are assisting leaseholders in meeting their responsibilities and have agreed a range of repayment options to provide flexibility based on their financial capacity. This includes the ability to repay large amounts in instalments when the leaseholder has been assessed as having no other means of paying their total charges in full. We also provide advice and support through our Money Advice Service and if necessary engage specialist Financial Advisors for the most complex cases.

At the start of the last financial year, around £530,000 worth of repairs and major works had been billed to leaseholders and £294,000 was repaid. The remaining payments will be recovered via direct payments for the full amounts, statutory loans and repayment agreements. For a small number of leaseholders, typically older tenants who are asset rich, cash poor, the Council will take charges on the property to ensure that outstanding sums are repaid when the property is

transferred or the occupier passes away. The sums recovered will support the spending identified in the Business Plan.

The Council has employed a Leasehold Officer to coordinate the increased activity surrounding leaseholder management. We also seek to engage with groups of Leaseholders on an area by area basis to share views, to consult and engage and to develop an effective vehicle to improve services to leaseholders.

A leaseholder action plan has been developed to improve the following areas of activity;

- To raise the profile of the leasehold service
- To develop process and administration for section 20 consultation
- To improve the facilitation and coordination of Leaseholder communications
- To review and update the Leaseholder Policy and Procedure
- To provide on line information and guidance for leaseholders
- To expand / clarify payment recovery options

### 3.8 Community Benefits

In accordance with the Welsh Governments guidance on maximising the benefits returned from investment, the Vale of Glamorgan Council require all contractors working on major projects to include community benefits as part of the delivery of the works programme. In general, this requirement is placed on all major projects and is mandatory for all projects over £1 million.

Contractors have responded positively to the requirements of the community benefit requirement and a range of schemes have been delivered through the Council's WHQS maintenance programme and other major projects. The benefits delivered have ranged from training placements and apprentices to physical improvements such as; a wildlife pond or fencing for a local school, new garden benches, changing facilities redecorated, flower gardens created or sponsored boot camps.

The Council use the Government's Community Benefit Measurement tool to record the Community benefits being delivered and report these at frequent intervals, when community benefits have been delivered through individual projects.

A summary of the Community Benefits already delivered through the Council's capital programme is provided below:

Benefit Measure	Value
In kind donations of labour, goods & Services	£53,861
Investment in the Welsh and UK economy	£54,682,956
Contribution to SMEs based in Wales	£11,216,651
Short-term unemployed reduction	16
Disadvantaged workers employed	6
Apprenticeships	30
Traineeships	5
Work experience or internships	19
Graduate placements	26

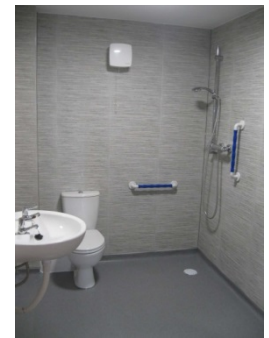
### 3.9 Development Programme

Following the changes to the subsidy system during 2015, the Council was in a position to commence a development programme to provide additional new Council housing.

During the first years of the development programme, the Council is developing property to provide homes for those on the accessible homes register who would otherwise find it difficult to secure suitable adapted accommodation.

The Council's first new affordable homes at Cook Road, Barry – three adapted bungalows - were completed in September 2017.

The recent Council's Local Housing Market Assessment awaiting adoption by Cabinet, conducted in 2019, identified a chronic shortage of affordable housing and a need for an additional 890 units per annum between the years 2019 to 2024.



During 2018/19, the Council embarked on an ambitious development programme, which has seen a further 39 units start on site at Holm View, Skomer Road and the site of a former sheltered housing complex at Brecon Court, both in Barry.

The Council was successful in attracting £3.9 million of Affordable Housing Grant from Welsh Government, which support the delivery of the development schemes at Holm View and Brecon Court, which will be ready for occupation later in spring 2020.



improvement scheme at 'Treetops' in the centre of Barry, in partnership with our contractors Jehu Project Services Ltd and Pendragon Design & Build Ltd.

During 2019/20, construction work has continued on the Council's first large scale development of 39 much needed new homes at Skomer Road and Brecon Court in Barry. The new developments will be completed in the early spring and summer of 2020.

By the end of 2019/20, a further three new Council housing schemes will have been submitted for Planning consent, aimed at delivering an additional 38 new Council homes for applicants on the Homes4U Scheme.

This year, the Council adopted its first five-year Housing Development Strategy and produced a robust Housing Development Policy and Procedures, to ensure that the new Council homes delivered meet the needs of our residents.

Furthermore, the Council awarded development contracts totalling £5.84 million, dedicating £30,000 to support local community benefit projects to be delivered in the Gibbonsdown and Colcot areas of Barry. Projects supported will include an Employability Boot Camp and Fair for local people and an environmental

Mae Cyngor Bro Morgannwg yn gweithio mewn partneriaeth gyda chwmmi Cynllunio ac Adeiladu Pendragon, i adeiladu pedwar byngalo a saith ty  
The Vale of Glamorgan Council working in partnership with Pendragon Design and Build to construct four bungalows and seven houses



The Housing Development Strategy 2019-24 is underpinned by our first forward plan for the delivery of new Council homes. The Council has identified and is exploring a further 11 sites capable of delivering 500 much needed new Council homes over the next five years.

The Council is currently concluding the land acquisition of three new sites capable of delivering an additional 260 new homes.

The Council was successful in bidding for and receiving £2.6 million of Welsh Government grant funding to support its Council house building programme. As the Council was so effective in committing its' full grant allocation, it is in line to receive up to a further £1.3 million of grant funding from potential slippage in the Welsh Governments' grant funding programme.

The development at the site of the former Brecon Court sheltered housing complex in Barry, was recently recognised by the Considerate Constructors Scheme for the excellent way it is being managed by our contractors, Jehu Project Services Ltd.



The Council has secured £30,000 from our contractors on the new developments at Brecon Court and Holm View and committed this money to support local events, community benefit projects and work experience. To date, the new developments have supported 7 local people who have completed a total of 131 weeks of paid and unpaid work experience between them. The new developments will also have supported three apprentices by the time they have been completed.



The Council is leading the way in Wales in bringing empty homes back into use, with our performance at the top of the table in working with others to provide increased accommodation across the Vale.

In December 2019, the Council adopted a Housing and Property Acquisitions Strategy, allowing it to strategically target empty homes and property for acquisition to deliver the objectives of the Corporate Plan.

### 3.10 Working towards Carbon Reduction

The Council has continued to improve the energy efficiency of its housing stock to meet the requirements of Welsh Government legislation in relation to decarbonisation and the Welsh Housing Quality Standard (WHQS). With original targets being set to reduce the carbon footprint by 80% by 2030 and all Social Housing to achieve an average SAP rating of 65 by 2020 as part of the criteria to achieve and maintain WHQS compliance.





During 2019, following the release of “Prosperity for All: A Low Carbon Wales”, the Welsh Assembly declared a climate emergency and was the first to vote in support of such a declaration.

To address this emergency in June 2019, the Welsh Assembly accepted the advice from the UK Committee on Climate Change, for a 95% emission reduction by 2050 and also committed to going even further and achieving net zero emissions no later than 2050.

Regulations will be brought to the Welsh Assembly next year to amend the existing 2050 target to 95%. At the same time the Welsh Assembly will bring regulations to set our third carbon budget and amend Wales’ interim targets and existing budgets, as necessary.

In July 2019, the Vale of Glamorgan Council declared its commitment to deliver its well-being goals as set out in our Corporate Plan ‘Strong Communities with a Bright Future’ and the Well-being of Future Generations Act, and the progress of initiatives in support of the existing Carbon Management Plan.

Of which the Council suggests that bold action to reduce carbon emissions can also deliver benefits in terms of new jobs, economic savings and market opportunities.

This Council has committed to:

- 1. Join with Welsh Government and other councils across the UK in declaring a global ‘climate emergency’ in response to the findings of the IPCC report.*
- 2. Reduce its own carbon emissions to net zero before the Welsh Government target of 2030 and support the implementation of the Welsh Government’s new Low Carbon Delivery Plan, to help achieve the Welsh Government’s ambition for the public sector in Wales to be carbon neutral.*
- 3. Make representations to the Welsh and UK Governments, as appropriate, to provide the necessary powers, resources and technical support to local authorities in Wales to help them successfully meet the 2030 target.*
- 4. Continue to work with partners across the region to develop and implement best practice methods that can deliver carbon reductions and help limit global warming.*
- 5. Work with local stakeholders including Councillors, residents, young people, businesses, and other relevant parties to develop a strategy in line with a target of net zero emissions by 2030 and explore ways to maximise local benefits of these actions in other sectors such as employment, health, agriculture, transport and the economy. Insert Climate Change Emergency info within this section.*

### **Carbon reduction works undertaken on our existing housing stock**

During previous years, the Council has worked hard to ensure the Council’s housing stock complies with the Welsh Housing Quality Standard (WHQS) raising the average SAP rating from the low 40s to 65 in order to meet the minimum requirement set under WHQS, however , this was not viewed as a target but seen more as an opportunity with an above average SAP of 70 set as an internal KPI by the Council.

This has been achieved by installing;

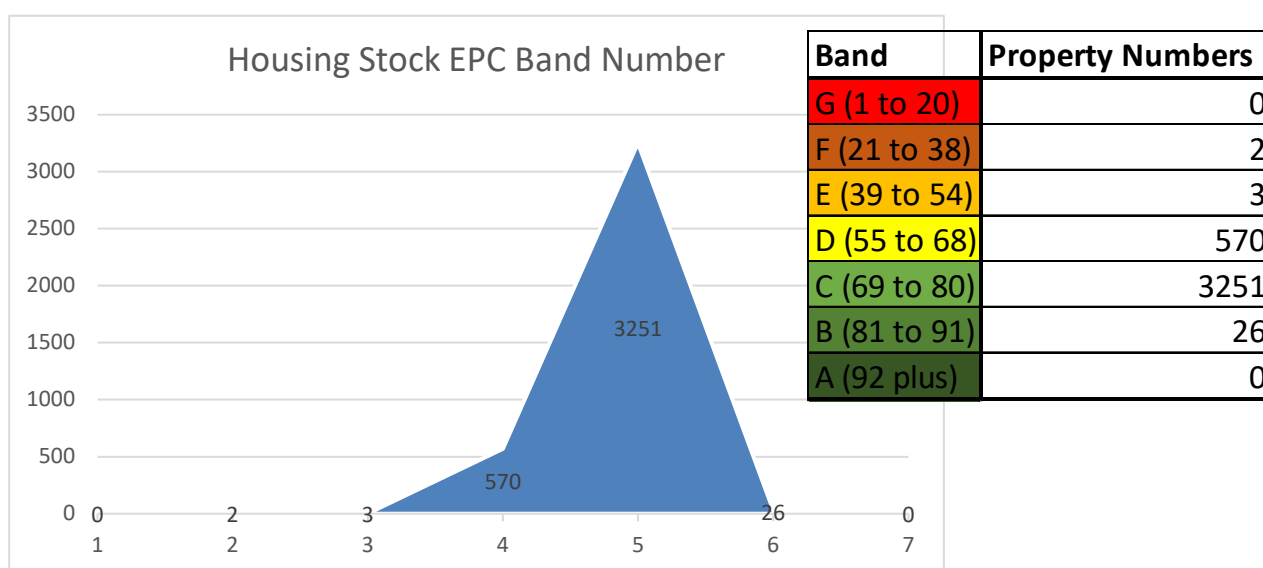
- new replacement modern gas central heating systems (A rated energy efficiency),
- external wall insulation (EWI),

- modern windows and doors (A rated energy efficiency),
- new roofs with high levels of loft insulation,
- pilot renewable energy heating systems such as ground heat source pumps,
- dual flush toilets, and
- Removal of open fires and gas focal point fires (providing a socket for electric focal fires).

These improvements have contributed to ensuring our homes are energy efficient, thus reducing fuel poverty and improving carbon footprint figures.

In addition to the above the Council has identified system-built stock within the housing portfolio which was energy inefficient and beyond economical repair, the most cost-effective solution was for demolition and rebuilding, thereby bringing the properties up to modern standards. As a result, the non-traditional construction properties e.g. 'Hawksley' bungalows and Cornish Houses have had major works undertaken to bring them up to the latest requirements of the Building Regulations and WHQS.

The tables below show the Council's current number of properties within each EPC banding.



This data is used to calculate what retrofit solution is required to bring each property up to its highest possible banding.

Furthermore, a programme of works has commenced installing new energy efficient LED lighting systems within communal areas of flats and sheltered accommodation. This programme also includes the removal of the on/off timer system and replacing with light sensitive motion sensors.

A large amount of environmental improvement works has been undertaken within various estates and as part of this all ecology recommendations have been followed including planting new trees at a ratio of 2:1 where it has been necessary to remove existing trees.

The Housing Service has replaced street lighting under its control with more modern LED lamps where necessary in line with the council's corporate strategy for street lighting improvements which reduce energy usage and the carbon footprint.

When procuring large capital works, we have ensured the contractors environmental and sustainability credentials are verified, ensuring they have ISO14001 accredited Environmental Management Systems in place which minimise their waste and carbon footprint.

The Council has encouraged and rewarded contractors with local supply chains and local labour, having regard to their proximity to a development site, which helps reduce the sites carbon footprint, in terms of the distance travelled by operatives to work and from where materials are sourced and delivered. In addition, on large value contracts for works contractors have been required to complete the Community Benefits Tool Kit to provide information to Welsh Government in relation to waste management.

When construction starts, each contractor is required to have a Site Waste Management Plan in place, which evidences waste leaving the site is minimised and promotes recycling.

Larger contractors have signed up to the Considerate Constructors Scheme, by which a contractor is assessed and scored on how their sites are managed, placing great emphasis and weight behind site waste management and carbon reduction.

Key Performance Indicators (KPI) are used to monitor performance to ensure these standards were maintained throughout the life of our contracts.

### **New Development Schemes**

All development schemes have been designed and built to comply with Building Regulations in relation to energy efficiency and Welsh Governments' Development Quality Requirements (DQR). The first properties did not receive any additional efficiency measures, which will result in further improvements in the future to retrofit additional measures which bring the properties up to EPC rating of A. The first development of 3 bungalows provided a rating of Band B.

### **What are we currently doing? And what are we planning to do in the future?**

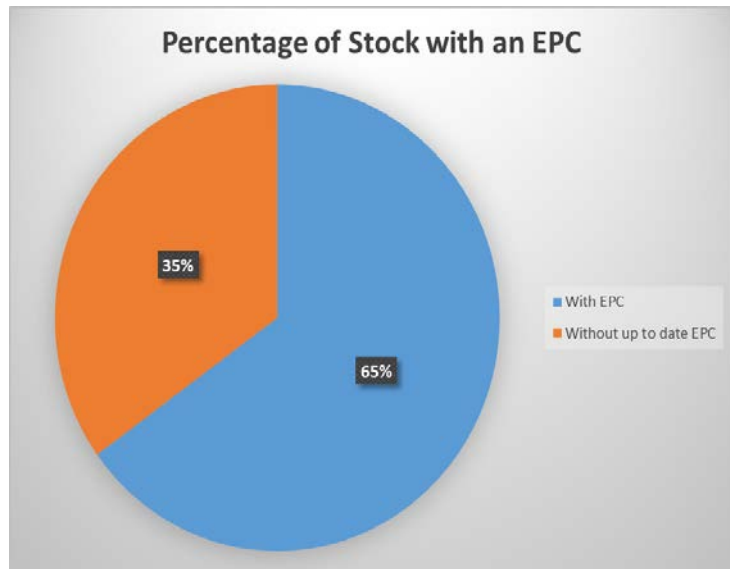
The Council's Housing and Building Services Team continue to procure through public frameworks where possible, which have been setup to deliver housing component replacement works, whilst ensuring contractors have arrangements in place to reduce their and our carbon footprint.

The service is taking a fabric first approach to Council Homes and communal areas, which includes; thermal improvements to walls by installing additional installation, triple glazed windows, 'A' rated doors, increased loft insulation thickness, insulated flooring when practical. As the carbon sector develops, further consideration will be given to heating and potential localised renewable energy generation. It is intended to explore various carbon reduction technologies on various pilot schemes to enable the success and impact to be evaluated. The Council is keen to understand the financial impact on tenants for carbon reduction because any increase in running cost could lead to the systems not being used correctly or even less environmentally friendly alternatives being used by tenants, thereby defeating any action by the Council.

To assist the Welsh Government in its carbon reduction pledge the Council is providing regular up to date housing stock information.

The Council currently conducts a whole house assessment to understand what the most cost-effective solution for each individual property is; looking at fabric, services and renewables in order to achieve highest performance, whilst managing fuel poverty.

We continue to work towards, having up to date Energy Performance Certificates (EPC's) on all our properties to assist with our analysis of what retrofit solutions will need to be applied to each property. The pie chart shows the number of up to date EPCs currently held on our housing stock.



At present the business plan identifies approximately £70m over the next 30 years towards directly responding to decarbonisation, although other renewal programmes are also seeking to achieve high levels of energy efficiency.

The Development Team is also ensuring materials and especially the timber used in the structural frame, roofing structure and internally is sustainably sourced. We will fit 'A-rated' gas boilers and 'A-rated' windows and doors. To minimise the wastage of water, we are fitting low flow sanitary ware, shallower baths and diffusers on tap fittings. We ensure that there is low air leakage from the fabric of the building.

Our objective is to seek a 10% improvement to the minimum requirements of Part L of current Building Regulations, which controls carbon emissions and the conservation of fuel and power.

A fundamental change to DQR, is the positive promotion of the use of Modern Methods of Construction (MMC) and particularly Off-Site Manufacture (OSM), to ensure that new homes are built at pace and with better quality. Participation in the carbon offset scheme will be actively encouraged.

The Council is committed to using off site construction methods wherever practical and the future development programme will design and construct homes which have modular or panelised structural components, manufactured offsite, to improve thermal efficiency, air leakage and construction quality.

There will be a single fuel source – electricity – as gas fired heating systems are likely to be phased out for new build homes within the next ten years. Mechanical Ventilation with Heat Recovery (MVHR) will be more frequently used to provide clean air whilst reducing the impact on space heating, in conjunction with tanked or tankless electric water heating.

Transpired solar collector external cladding material will be utilised to further improve the efficiency of the MVHR and on-site electricity generation, using thin film or integrated solar cell roofing materials. Other components will include triple glazing and on-site electricity storage.

These technologies are currently being designed into a new scheme at a former Colcot Health site in Barry.

### 3.11 Housing Stock Fire Risk Management

Following the tragic event in the London Borough of Kensington and Chelsea and further events in Bolton, the Council has undertaken a review of its Fire Strategy document and fire risk management arrangements within its housing stock. After studying the types of cladding which

have been installed within Council homes, it was confirmed none of the properties have ACM cladding installed.

The Council has installed two types of encapsulated external wall insulation (EWI), Wetherby and Soltherm EWI systems, which have been installed to exceed current regulations and approved codes of practice. In pursuit of this higher level of fire safety, the Council has installed additional vertical and horizontal fire breaks within the external wall insulation system which were not required. This provides extra protection against fire spread within our flatted housing blocks. The tallest building within our housing stock is Awbery House at 6 storeys high. This building has been fitted with rock wool fire resistant boards installed within the EWI from the 1<sup>st</sup> floor to the top floor to provide full fire protection to the building's insulation. The Council is fully committed to protecting its tenants and visitors to its blocks from the risk of fire.

During the last 3 years as part of the WHQS major improvement programme, approximately £2m has been invested on upgrading communal flat entrances, and storage areas. This includes works to replace lobby fire doors and fire stop all compartmentation within our communal areas to stop fire and smoke spread. All works have been 3<sup>rd</sup> party accredited.

Following the introduction of new standards for fire alarm systems within domestic dwellings, the Council is developing plans to upgrade the fire alarm coverage. The Council has started to upgrade the alarm systems where applicable when the annual automatic fire detection servicing and maintenance is undertaken within a property or when a property becomes void.

Capital funding has been identified within the Business Plan over the next few years to continue to deliver further fire protection upgrade works e.g. class 0 paint being applied, installation of new communal area access security doors, fire rated notice boards and loft area fire breaks as part of planned communal area and balcony refurbishment works.

The Council's Housing Management Team holds a Fire Risk Management Group meeting on a monthly basis to monitor performance and to discuss and action recommendations from completed fire risk assessments (FRAs). The table below provides an overview of our current fire risk management compliance key performance indicators (KPIs).

<b>Communal Area Fire Risk Management Compliance</b>	<b>December 2019 Percentage Compliant</b>
<b>Annual Inspection of Automatic Fire Detection &amp; Emergency Lighting</b>	<b>100%</b>
<b>Fixed Wiring Electrical Test &amp; Inspection</b>	<b>100%</b>
<b>Annual Fire Fighting Equipment Inspection &amp; Test</b>	<b>100%</b>

The Neighbourhood Management, Response Repairs and Housing Compliance teams have continued to work with tenants and leaseholders to ensure communal areas and balconies are free from combustibles and any repairs in relating to fire safety are prioritised.

Revenue funding has been identified for 2020/21 to ensure all fire risk management systems are serviced and maintained in accordance with our statutory requirements.

The Development Team when designing new housing schemes, has worked closely with key partners such as Building Control, South Wales Fire Service and insurers to ensure homes are

constructed to comply with current Building Regulations requirements using the latest fire risk management technologies to future proof our housing.

## **4. Improving Housing Services**

### **4.1 Housing Service Principles and Performance**

The Council:-

- Currently manages 3,826 tenant homes and 302 leaseholders.
- Lets around 240 homes to new tenants each year.
- Manages the homeless hostel.
- Operates a single allocation process with all the social housing providers in the Vale.
- Collects over £20m in rent each year.
- Is committed to maintaining the Welsh Housing Quality Standard from 31<sup>st</sup> March 2018.

The Housing Service operates within the following core principles in carrying out its responsibilities, these being:-

- Place the people who want to use its services at the heart of its work - putting the Citizen First.
- Conduct its affairs with honesty and integrity and demonstrate accountability.
- Make sure its purpose is clear and achieves what it sets out to do - knowing who does what and why.
- Engage with others to enhance and maximise outcomes for service users and the community.
- Build and renovate homes to a good quality standard (and to WHQS).
- Let homes in a fair, transparent and effective way.
- Manage homes effectively.
- Repair and maintain homes in an efficient, timely and cost-effective way.
- Provide fair and efficient services for owners.

The service reviews and monitors the extent to which its service meets standards. In consultation with tenants, these are currently under review to improve their relevance to customers. Further information is included in the following sections of this report.

### **4.2 Repairs**

During 2019/20, the Council completed approximately 11,076 day-to-day repair jobs and completed repairs/safety checks to 281 void properties. In delivery of these services, the Council spent approximately £2,384k.

Repair requests are made via the Council's Contact Centre (Contact One Vale) which prioritises these into three categories depending on the nature of the repair. The following table shows the categories of repair, the target response time and the numbers completed in 2019/20. Repairs to void properties are not included in the table.

Category	Description	Target Response Time	Number Completed	Days Taken	Average Days
Emergency	Imminent risk to health and safety. Risk of serious damage to property.	Same Day	2,731	483	0.18
Urgent	Serious impact on tenants' comfort or convenience.	Within 5 Days	3,528	11,022	3.12
Routine	Non-urgent	Within 42 days	4,817	78,039	16.2

Gas safety within the Council's property is of great importance and Housing and Building Services aim to achieve 100% of all properties having a valid gas safety certificate within the anniversary date.

Electrical safety also plays an important part of the landlord's responsibilities and following the appointment of a new framework for electrical inspection and repair, 88% of all properties now have a new periodic inspection report which has increased from 80% in the previous year.

### 4.3 Continuous Improvement

The Council has introduced improved ways of working with regard to its repairs service as follows:-

- The Council's contact centre takes repair requests and are now using a repair diagnostic tool to improve the accuracy of repair reporting and reduce the number of job inspections required.
- Services are delivered through mobile technology where staff are issued with repair jobs electronically. This has increased efficiency via improved productivity and a reduction in non-productive time.
- An appointment system has been introduced for urgent and responsive repair jobs.
- A GPS (global positioning system) is embedded within the mobile technology and provides real-time monitoring and control of the deployment of resources ensuring efficient planning and scheduling of repair jobs.
- A text messaging tenant satisfaction survey has been introduced which enables the service to receive feedback on responsive repairs as soon as the job has been completed. This service provides useful feedback on how the service is delivered and the quality of work on completion. The data captured through this facility helps the service to improve from the lessons learnt.

The Contractor module of the repairs system is now outdated and unlikely to be supported by the supplier in the near future. Consequently, work has commenced on the identification of a new Repairs Contractor Module, which will include a new Housing system because there are aspects of this system which are approaching 'end of life'.

The improved functionality of such a repairs system will see further improvements to the service and provide improved customer access through a web-based portal.

## 4.4 Helping People Live Independently

Being able to access all the key facilities in our homes is something that we often take for granted, but for someone who cannot do this, the affect can be devastating. Housing adaptations are vital in enabling a person to remain living independently and safely in their own home and can transform a person's quality of life. Some people may need something as simple and easy to provide as a handrail. Others could need something much larger or complex like a stair lift or wet room.

The Council has continued to transform its approach to assisting people to live independently through an established, dedicated Council Housing Adaptations Team which initially ran alongside the works carried out under the WHQS works programme.

This approach has delivered over 804 (82%) sheltered or over 55 age designated homes with wet room or step in shower facilities which better meet the needs of customers. The aim continues to be to proactively install these necessary facilities and to minimise need for expensive adaptations.



Keystone is now utilised to record the delivery and servicing of all adaptations and now report on adapted housing stock figures; the Council Housing Adaptations Team has also carried out a data cleanse of existing stock to ensure that Keystone accurately reflects the adaptation status of each property. As of January 2020, our adapted stock is as follows:

	<b>Number</b>	<b>Total % of All Stock Including Temporary Accommodation (3,852)</b>
Partially Adapted	1349	35%
Lifetime Homes	3	0.8%
Accessible Home (Fully Wheelchair accessible)	11	0.29%

The Council's Housing Adaptations Team is now a standalone service further promoting independent living for our tenants and allowing them to stay in their own home whenever possible.

A stringent process led approach allows us to track our budget accurately throughout the financial year and forecast where spending may be high and allow us to plan in works knowing we can meet all approved adaptations requests.



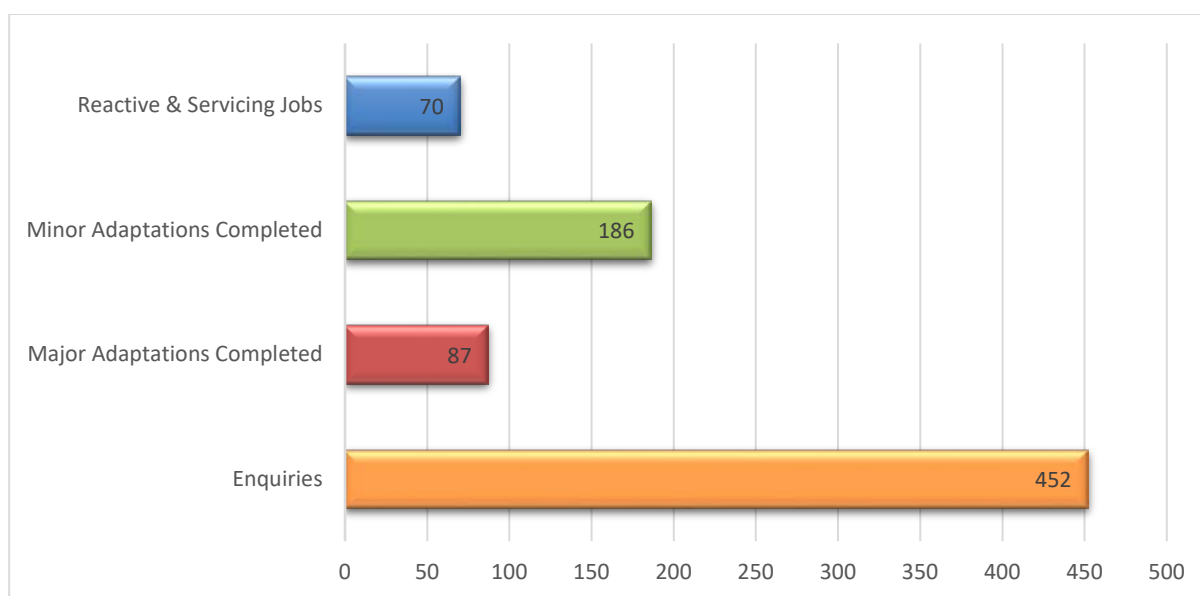
## Adaptations Financial investment to date (April 2019 to January 2020):

	Forecasted Spend to date	Actual Spend to date
Majors	£503,934.20	£260,685.46
Minors	£66,355.06	£42,977.45
Reactive	£14,666.85	£14,032.15
<b>Grand Total</b>	<b>£584,956.11</b>	<b>£317,695.06</b>

The Team liaises closely with both internal and external agencies, keeping the service completely tenant focused whilst managing realistic expectations and providing adaptations that meet both medical need and improve day to day life.

It aims to respond to all initial queries within 5 working days; the tenant is updated accordingly throughout the process and this has resulted in the provision of adaptations as detailed in the table/figures below.

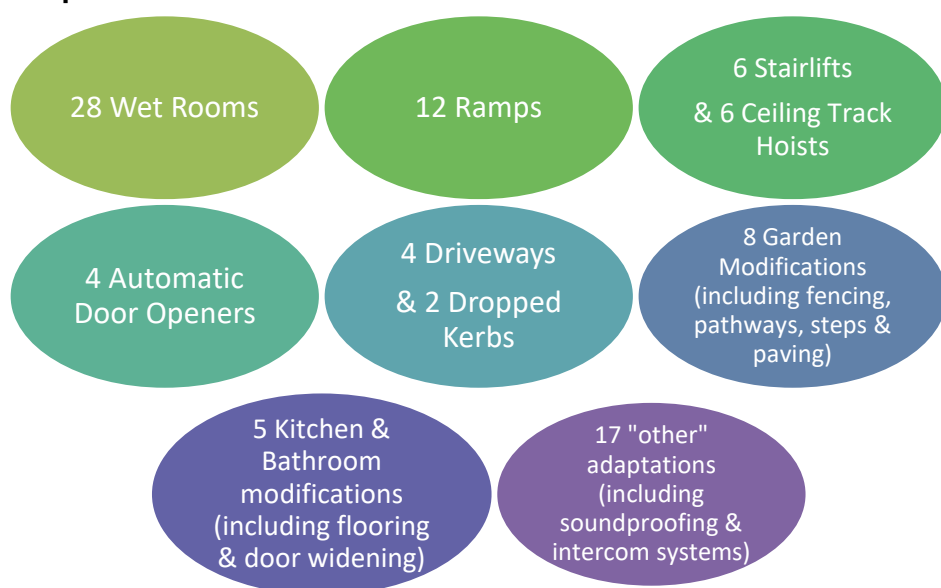
## Adaptations Delivery April 2019 to January 2020



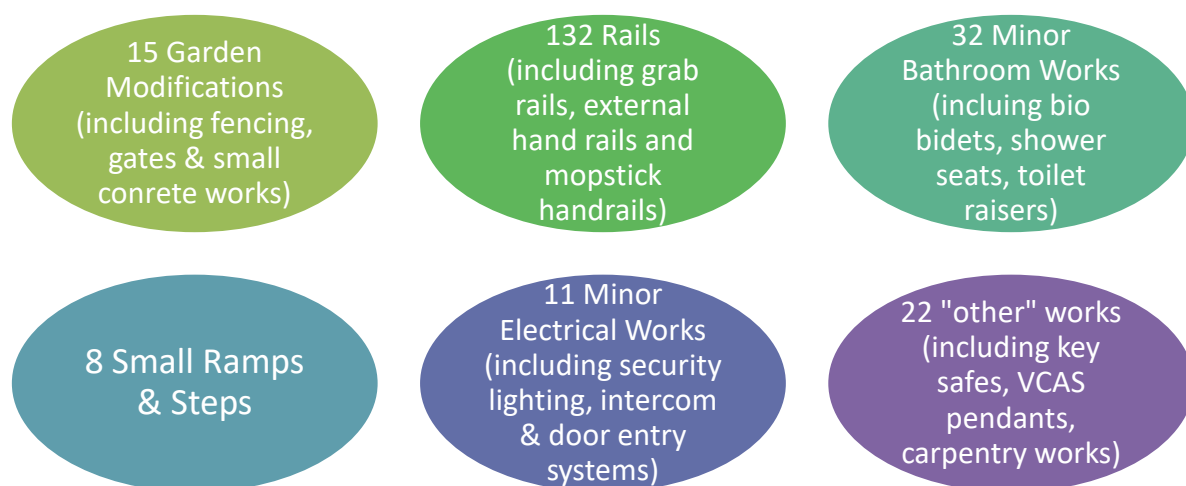
Adaptations Delivery Compared to Previous Year During the Same Period	April 2018 to January 2019	April 2019 to January 2019	Difference
Enquiries - <i>Requests for adaptations/enquiries about the service</i>	584	452	-132
Major Adaptations Completed - <i>Adaptations with a value greater than £1000 or of a complex nature</i>	95	87	-8
Minor Adaptations Completed - <i>Adaptations with a value less than £1000</i>	247	186	-71
Reactive - <i>Repairs, removals and emergencies relating to already fitted adaptations</i>	70	70	0

## Breakdown of Adaptations Delivered Between April 2019 and January 2020

### Major Adaptations



### Minor Adaptations



### Average Timescales for delivery:

	2019/20	2018/19	Difference
<b>Major Adaptations</b>	99.5 working days	82 working days	+17.5 working days
<b>Minor Adaptations</b>	14.5 working days	15.5 working days	-1 working days

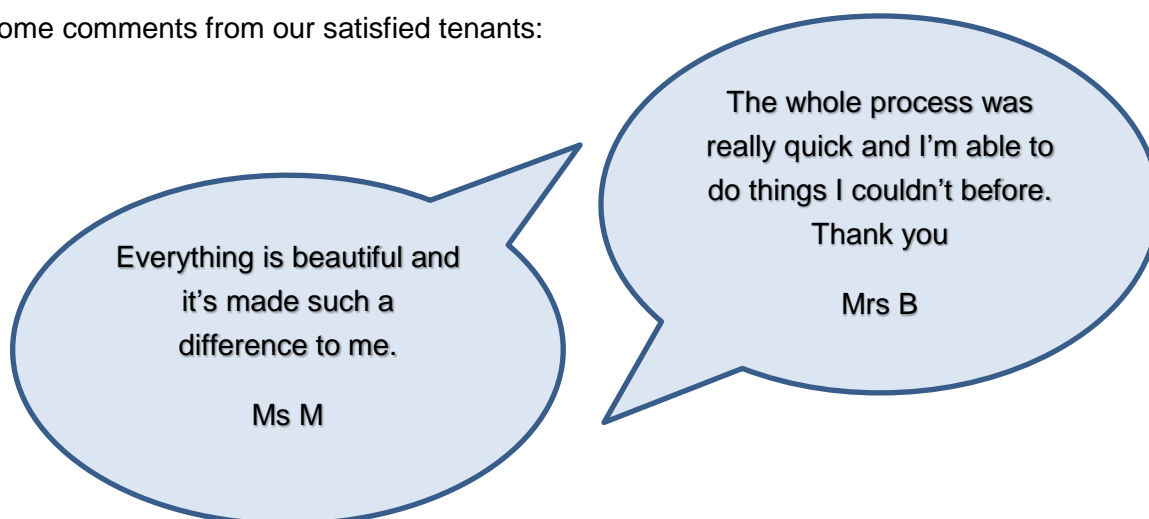
Average Timescales have increased by 17.5 working days for Major Adaptations in 2019/20 and decreased by 1 working day for Minor Adaptations. The increase in timescales for major adaptations can be attributed to delivering more complex adaptations and a vast increase in concrete works which is entirely weather dependent. 77.5% of Minor Adaptations have been completed on time in 2019/20, which is a small decrease compared to 80% completed on time in 2018/19.

## Tenant Satisfaction results to date (April 2019 to January 2020)

Every tenant is contacted to review the service and delivery of their adaptation by completing a Tenant Satisfaction Survey. This approach has allowed the team to gain accurate feedback from tenants, identifying where the service is performing well and where improvements can be made.

Average for Cleanliness	Average for Communication	Average for Process	Average for Quality	Average for Service
9.79	9.58	9.75	9.80	9.71

Some comments from our satisfied tenants:



In 2020/21 we will continue to face challenges in the delivery of disabled adaptations as a result of the introduction of “ENABLE – Support for Independent Living”, which is an enhanced system for delivering adaptations introduced by the Welsh Government.

The enhanced system is underpinned by key principles to simplify and speed up the process for getting an adaptation, with an emphasis on the individual who needs help and their family. It has been designed to provide help for more people. Who delivers the adaptation or who pays for it is secondary to ensuring people get the help when they need it.

The Welsh Assembly Government has consulted with service providers regarding categorisation of adaptations, target timescales and delivery of adaptations, but are yet to publish results of this consultation. All providers continue to be monitored on their delivery and customer experiences. This will be used to evaluate the system and will inform any further developments.

The Welsh Assembly Government has provided grant funding under ENABLE to Local Authorities to fund new projects with the aim of delivering adaptations without delay. This funding is spread across all tenures and in 2019/20, the Council Housing Adaptations Team has been granted £35,000 to deliver adaptations that were not in the capital planned works for this year. The team are also trialling the use of warm-touch hand rails to replace galvanised hand rails as the lead in times for galvanised hand rails is 4-6 weeks, which will not meet ENABLE suggested guidelines. Warm touch hand rails are fitted together on site and can be delivered within 1-3 weeks. ENABLE funding has been secured to cover the difference in cost between galvanised and warm touch rails.

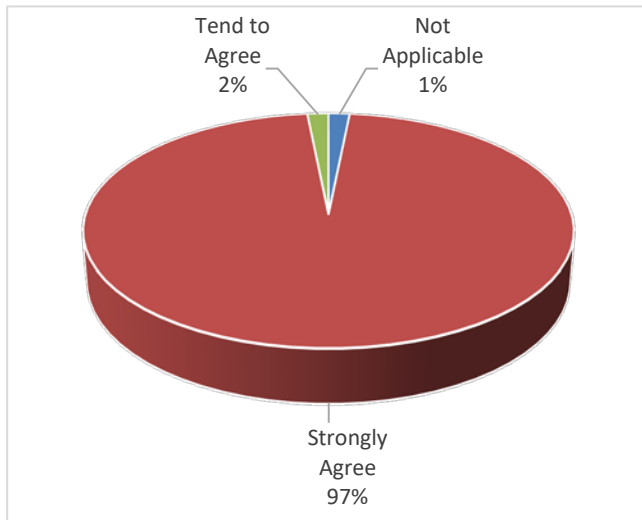
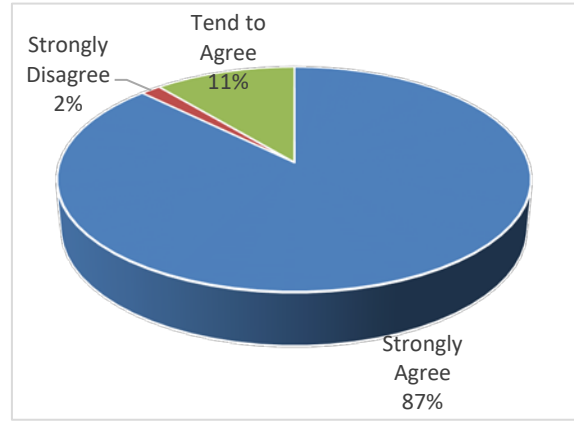
## Post Adaptation - Quality of Life Surveys

In 2018/19, the team introduced a quality of life survey which is carried out a year after a major adaptation is completed. The results were exceedingly positive and further underpinned the importance of the work carried out by the Adaptations Team.

Some of the pertinent results are illustrated below:

### Question 1 – My Quality of Life has improved

98% of tenants have reported their quality of life has improved since the adaptations have been installed.



### Question 2 – I feel safer at home, including safer from the risk of falling

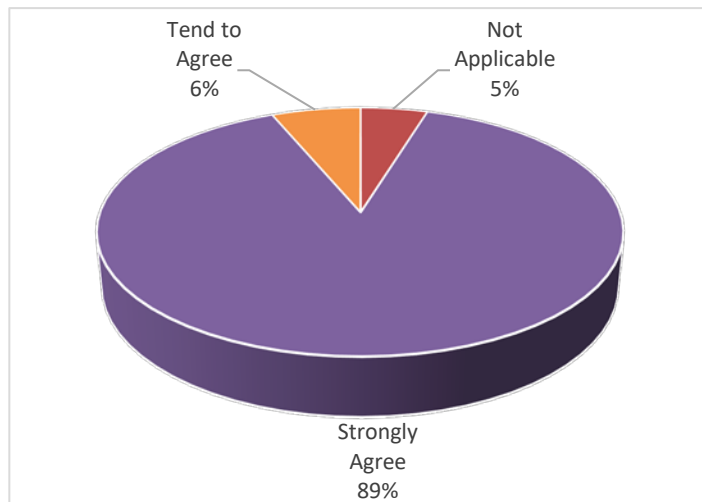
Response	Total
Strongly Agree	61
Tend to Agree	1
Not Applicable	1
<b>Grand Total</b>	<b>63</b>

99% of tenants have reported they feel safer at home following completion of the adaptation work.

### Question 3 – The adaptation has helped me to be more independent

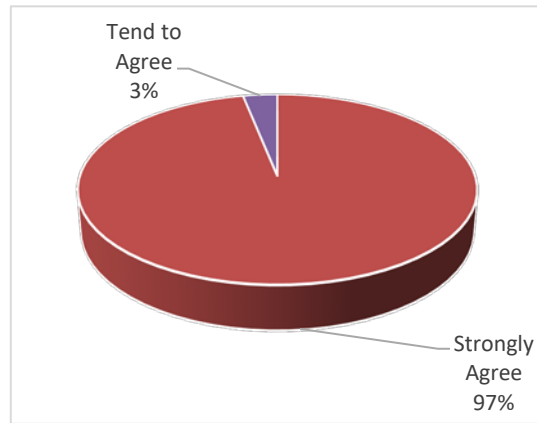
Response	Total
Strongly Agree	56
Tend to Agree	4
Not Applicable	3
<b>Grand Total</b>	<b>63</b>

95% of tenants feel the adaptation has helped them to be more independent.

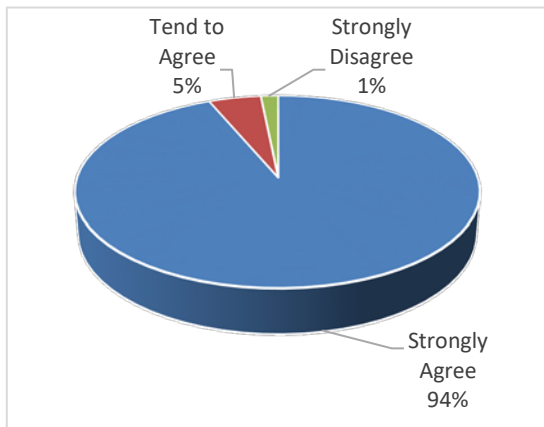


Question 4 – The adaptation is still meeting my needs

Response	Total
Strongly Agree	61
Tend to Agree	2
<b>Grand Total</b>	<b>63</b>



100% of tenants felt their adaptation is still meeting their needs.



Question 5 – The work is still of a high quality

Row Labels	Total
Strongly Agree	59
Tend to Agree	3
Strongly Disagree	1
<b>Grand Total</b>	<b>63</b>

99% of tenants think the work is still of a high quality one year on.

**Adaptations Servicing**

There are currently 177 pieces of equipment in the service programme and all equipment is currently 97% compliant.



## 4.5 Improving Services for the Future

National guidance requires all social landlords to actively encourage tenant engagement in order to ensure continuous improvement of landlord services.

The current Tenant Engagement Strategy is due to end in 2020 as most of the actions have been completed and will be replaced by a new Tenant and Leaseholder Engagement Strategy which will be developed in consultation with tenants and leaseholders. It will set out our approach to giving tenants and leaseholders a greater say in the services delivered by the Council and will be designed to promote higher levels of engagement and include leaseholders for the first time.

The new Strategy will include an operational delivery plan which will set out the actions to deliver the required outcomes and be used to inform service improvement. Progress will be reported and monitored by Scrutiny Committee.

The Vale of Glamorgan's Housing and Building Services teams aspire to be one of the top performing landlords in Wales and during 2019 undertook a Survey of Tenants and Residents (STAR) regarding key services.

A postal survey of all Council tenants was undertaken and for those who didn't respond initially, a second survey was posted out two weeks later; this helped ensure a very high response rate, with over 1,300 completed surveys being returned.

Seven core questions were used within the survey; these are overarching questions about the key parts of the service i.e. overall service, condition of home, rent as value for money etc. The results for the landlord service in the Vale of Glamorgan were positive when compared to others and highest in respect of neighbourhood as a place to live and rent as value for money. The table below sets out how we compare with others:

<b>Comparison of STAR Results</b>	<b>Vale of Glamorgan 2019</b>	<b>Vale of Glamorgan 2016</b>	<b>Upper Quartile %</b>	<b>Medium %</b>	<b>Lower Quartile %</b>
Services Provided by the Landlord	84%	81%	89%	85%	81%
Quality of Home	84%	83%	86%	84%	80%
Neighbourhood and a Place to Live	90%	88%	89%	86%	81%
Value for Money of Rent	83%	85%	85%	81%	77%
Value for Money of Service Charge	75%	77%	76%	71%	63%
Repairs and Maintenance Service	76%	75%	83%	80%	73%
Listens to Views and Act Upon Them	66%	68%	74%	69%	63%

Key	Upper Quartile	Above Median	Below Median	Lower Quartile
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Housing and Building Services also subscribe to 'Housemark' and 'APSE', to enable continuous benchmarking of the services provided against others in the industry. Benchmarking through these providers enables benchmarking against a range of other service providers who are delivering services over a comparable geographical area or demographic.

Such benchmarking clubs enables the Vale of Glamorgan Council to ensure good, value for money services are being provided.

## 5. Financial Modelling & Resources

In order to produce this Business Plan, we have undertaken an update of the financial analysis and re-assessed the options for:-

- The maintenance of Welsh Housing Quality Standard (WHQS)
- Regeneration and new build possibilities
- Maintaining a viable Housing Revenue Account (HRA) over 30 years

As at 14th January 2020, the Council's Standard Stock stood at 3,826 as shown in the table below (excludes 26 Temporary Accommodation properties). There are also 24 Temporary Accommodation properties and 2 Homeless Hostels. It has been assumed the stock at the 1st April 2020 will remain unchanged.

Type	No. of Bedrooms	Total Properties
<b>General Needs Stock</b>		
House / Bungalow	1	1
House / Bungalow	2	336
House / Bungalow	3	1,580
House / Bungalow	4	82
House / Bungalow	5	5
Bedsit	0	12
Flat	1	257
Flat	2	490
Flat	3	90
<b>Total General Needs</b>		<b>2,853</b>
<b>Sheltered Stock</b>		
Bungalow	1	44
Bungalow	2	41
Bedsit	0	27
Sheltered Flat	1	194
Sheltered Flat	2	23
<b>Total Sheltered</b>		<b>329</b>
<b>Total OAP Designated</b>		
OAP Bedsit	0	25
OAP Flat	1	300
OAP Flat	2+	24
OAP House / Bungalow	1	255
OAP House / Bungalow	2	40
<b>Total OAP Designated</b>		<b>644</b>
<b>Total Stock (Excluding Temporary Accom)</b>		<b>3,826</b>

## 5.1 Financial Model and Assumptions

A financial analysis has been carried out on the Council's ability to achieve the level of investment required whilst maintaining a viable Housing Revenue Account. Consideration has been given to the potential impact of changes in legislation and particularly Welfare Reforms. Assumptions used in the financial modelling are shown in full at Appendix F for information. The following provides a summary of the main assumptions:-

- Inflation has been included at a level of 1.7% (based on WG guidance).
- Standard Stock Level at 1st April 2020 – 3,826 dwellings.
- Minimum level of balances to be maintained of £890,000 (real terms).
- Repairs and Maintenance expenditure of £926 per unit in 2020/21, increasing with inflation in future years.
- Other Revenue running costs based on the 2020/21 budget.
- Gross average rents are £99.79 in 2020/21 calculated on a 52-week basis. The level of rent increase is set by WG via their Policy for Social Housing Rents. The policy for 2020/21 limits the maximum rent increase to CPI plus 1% (for rent purposes, based on Sept 19 CPI of 1.7%).
- No income has been assumed from Right to Buy sales. Right to Buy has been abolished from 26<sup>th</sup> January 2019 for existing properties.
- New build provisional investment totals £270.091m over years 1 – 30.
- Estate Improvements of £64,000 per annum has been set aside for community investment initiatives within the Revenue Budget.
- Environmental improvements of £2.878m have been set aside in 2020/21.
- Major Repairs Allowance (MRA) has been assumed at the current level of £2.760m, per annum for the 30-year plan.

These assumptions have been agreed with the relevant officers.

## 5.2 Housing Revenue Account Projections

The Housing Revenue Account is managed in accordance with the relevant legislation and other guidance, including Welsh Office Circular 33/95 and future revisions. The detailed capital and revenue projections for the base model are shown in Appendix G as follows:-

G (i) – Major Repairs and Improvements - Base Model.

G (ii) – Operating Account - Base Model

In October 2018, The UK Government announced plans to lift the Housing Revenue Account Borrowing Cap and agreed for the Cap to be fully abolished in Wales from March 2019.

A summary of the projected financial position of the 30-year plan follows:-

### Base Plan - April 2020

HRA Useable Capital Receipts Balance at 1st April 2020    **0**



Opening Housing Capital Financing Requirement at 1st April 2020      **£78.970m**

Peak Debt      **Year 17 £166.957m**

Repayment of Debt      **Year 31+**

Revenue Surplus in year 30      **£1.929m**

Appendix G (i) – Major Repairs and Improvements, details the total required capital investment to maintain WHQS, provisional amounts for new build and regeneration and to maintain the stock over the next 30 years.

The following table gives a description of each column.

### Major Repairs and Improvements

WHQS Improvement & Maintenance	Includes capital expenditure required to improve and maintain the stock to WHQS, it also includes investment in Disabled Adaptations.
Regeneration & Remodelling	This includes provision for environmental and regeneration work.
New Build Development Costs	This includes provisions for new build schemes and the potential buy-back of former RTB properties.
Borrowing	Borrowing is allowed under the Prudential Code provided that it is affordable for the Council.
Major Repairs Allowance (MRA)	Grant from Welsh Government – assumed at current level of £2.760m per annum.
Other Financing	This includes Section 106 contributions.
Revenue Contributions to Capital Outlay (RCCO)	Revenue contributions from the Housing Revenue Account (HRA) to fund capital expenditure, where the revenue account is in surplus.

Appendix G (ii) – Operating Account, displays the revenue account position year on year. The following table gives a description of each column:

Operating Account	
Net Rent Income	The rent and service charge income receivable on all dwellings adjusted for voids and bad debts
Other Income	Includes Garage Rents, leaseholder ground rent, sewerage treatment charges and contributions to expenditure.
Miscellaneous Income	Includes wayleaves and easements, lease income and mortgage interest.
WG Affordable Housing Grant	This is grant income which supports new Council house building. The grant is provided to fund the interest and capital repayments of debt.

Management Expenditure	Fixed costs for management and supervision.
Repairs & Maintenance	Revenue repairs expenditure.
Other Revenue Spend	Includes Council tax, audit, legal and consultant fees.
Miscellaneous Expenses	Hostel expenditure.
Capital Charges	Charges for loan debt.

## 6. Risks

### 6.1 Sensitivity Analysis

There are risks that the assumptions used in the Housing Business Plan do not materialise and this may impact on the Council's ability to deliver its Plan. The impacts of the following ten scenarios have been assessed to quantify the various levels of risks. It should be noted that this is not an exhaustive list but it is considered that they cover the main areas of risk to the Plan.

No.	Key Risk/(s)	Rate of Change/(s) modelled	Description of risk and reason for inclusion
1	Rent	Reduction in rate of rent increase to CPI + 0.5%	2020/21 is the first year of the new 5-year Welsh Government's Rent Policy and is fixed at CPI (as at previous Sept) plus 1%.
2	Rent	Reduction in rate of rent increase to CPI only	2020/21 is the first year of the new 5-year Welsh Government's Rent Policy and is fixed at CPI (as at previous Sept) plus 1%.
3	Rent and Cost Inflation	Reduction in rate of rent increase to CPI + 0.5% plus increase of 1% on cost inflation	This combines a reduction in rent income with increasing costs. 2020/21 the first year for the Welsh Government's Rent Policy. The policy from 2020/21 is fixed at CPI (as previous Sept) plus 1%.
4	Rent	Increase in rent loss of 2% per annum	This reflects an increase in bad debts and voids. The roll-out of Universal Credit has created several problems for other Authorities. The full financial impact for the Vale of Glamorgan is currently unknown.
5	Grant	The Compensation Award (MRA) from WG ceases	The Compensation award is a key funding stream that ensures the Plan remains viable. A reduction in this source of funding would have a significant impact.
6	Inflation	Inflation runs at 1% higher than anticipated (2.7%)	This assesses the effect of the combination of increasing income by the same factor as expenditure. Uncertainties around Brexit make it difficult to forecast any changes to inflation.
7	Inflation	Inflation runs at 1% lower than anticipated (0.7%)	This assesses the effect of the combination of decreasing income by the same factor as expenditure. Uncertainties around Brexit make it difficult to forecast any changes to inflation.
8	Interest Rates	Interest rate 0.5% higher than anticipated	This assesses the effect of increasing capital financing costs as uncertainties around Brexit make it difficult to forecast any changes to interest rates.

9	Management Costs	Management costs increase by 1% above inflation per annum.	The impact of Welfare Reform may result in increased management time and therefore costs in recovering rent arrears and debt management.
10	Repairs & Maintenance Costs	The cost of repairs and maintenance and WHQS increase by 1% above inflation per annum.	Uncertainties around Brexit make it difficult to forecast any changes to inflation.

The viability of the Housing Business Plan is determined by whether or not the HRA remains in surplus for the life of plan, with the minimum level of balances set at £890,000 in real terms from 2020/21. This is considered to be a prudent level. Sensitivity analysis has been applied to the Business Plan based on the following criteria provided by Welsh Government:

- Impact on HRA reserves (value and timescales)
- Impact on WHQS achievement and maintenance
- Impact on Affordability
- Mitigating actions (value and timescales)

The sensitivity analysis and the results for each scenario are shown in Appendix H.

## 6.2 Results

The sensitivity analysis has been carried out over the life of the Plan to assess the effects on the Business Plan objectives of the different scenarios. The following scenarios in the table below may require the Business Plan to be adjusted and mitigating actions implemented.

No.	Scenario	Shortfall on HRA Reserve £000's	Mitigating Actions
2	Reduction in rate of rent increase to CPI only	£676k in Yr13	Reduce number of proposed new builds by 312 units between years 8 and 13 and cease Environmental Works during the same period
3	Reduction in rate of rent increase to CPI + 0.5% plus increase of 1% on cost inflation	£660k in Yr13	Reduce number of proposed new builds by 260 units between years 9 and 13 and cease Environmental works during the same period
4	Increase in rent loss of 2% per annum	£423k in Yr1	Reduce the revenue contribution (RCCO) by £423k in Yr1 due to increased revenue costs relating to bad debt provision
5	The annual Compensation Award (MRA) from WG ceases	£54k in Yr1	Reduce the revenue contribution (RCCO) by £54k in Yr1 due to increased revenue interest costs relating to additional borrowing to replace the Compensation Award

8	Interest rate 0.5% higher than anticipated	£129k in Yr1	Reduce the revenue contribution (RCCO) by £129k in Yr1 due to increased revenue costs relating to interest payments
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There are however, other mitigating actions that could be pursued should any of the above scenarios materialise. These could include further reductions or re-profiling of regeneration works, management savings on added value community regeneration and initiatives being reduced or postponed. Also, maintenance and voids work could be reduced to a minimum acceptable standard. While it is anticipated the primary mitigating action would be to reduce the number of new build houses, this may not be the only method of making up the shortfall and the other options would be considered at the appropriate time.

While some of the scenarios show a shortfall, scenarios 2 and 3 do not take effect until year 13. This provides time in which the Business Plan could be adjusted if the scenarios start to materialise. Scenarios 4, 5 and 8 would have a more immediate impact as the shortfall commences in year 1. However, they could be resolved simply by adjusting the available sources of funding.

### 6.3 Risk Assessment

The Council has a seven-step process to managing risk:

1. Identifying Risk
2. Analysing Risk
3. Profiling Risk
4. Prioritising Action
5. Determining Action
6. Controlling Risk
7. Monitoring and Reporting Progress

The Corporate Risk Register provides a detailed outline of the Corporate Risks facing the Council at a given point in time. It provides a description of the risk, highlights the status of each corporate risk as well as what actions are currently in place, or are being progressed to further reduce the likelihood and impact of the risk occurring.

A Corporate Risk Management Group has been established to support the identification, assessment and monitoring of risks facing the Council. Although, the group focuses on the Corporate Risk Register, it also supports managers in their approach to managing their service risks. The attached service plan at Appendix A details the risks associated with Housing Services and their mitigating actions.

During 2016/17 the Council reviewed its approach monitoring existing and emerging Service risks which are now reflected in new quarterly performance reports produced for each of the Corporate Plan Well-being Outcomes and Corporate Health. These provide an overview of how the use of resources impacts on improvement informed by a number of corporate health perspectives including service risks.

Corporate Risks are also considered quarterly as part of established integrated business planning (Insight) arrangements of the Council.

## **6.4. Welfare Benefit Reforms and the Potential Impacts on the Housing Revenue Account**

The provision for doubtful debts has been increased to allow for the negative impact of Welfare Reform and in particular, Universal Credit on rent collection. The provision included for year 1 and 2 is 6%, with subsequent years at 3%. The effect of the Universal Credit roll out is becoming clearer with an increase in average arrears to £500 for every UC claimant (as compared to £150 for HB arrears). There are around 6 tenants a week migrating across to UC as a result of changes of circumstances (from legacy benefits). To date there are 551 tenants in receipt of UC and the total number of arrears for those tenants is just under £248,000. This is pushing up the total arrears levels across the Council which are now £160,000 higher than when UC was first introduced.

It is vital that to prevent tenants falling into arrears, Housing Services are working proactively to target those who are being adversely affected by the welfare reforms.

## **7. Providing an Excellent Service (Performance Management)**

### **7.1 Performance Management in the Council**

The Council has a long established “Performance Management Framework” in place to realise its aspirations in delivering our service objectives and the Corporate Plan priorities. During 2016/17 the Council implemented a revised Performance Management Framework (PMF) to reflect the requirements of the Well-being of Future Generations Act. The key changes already implemented include:

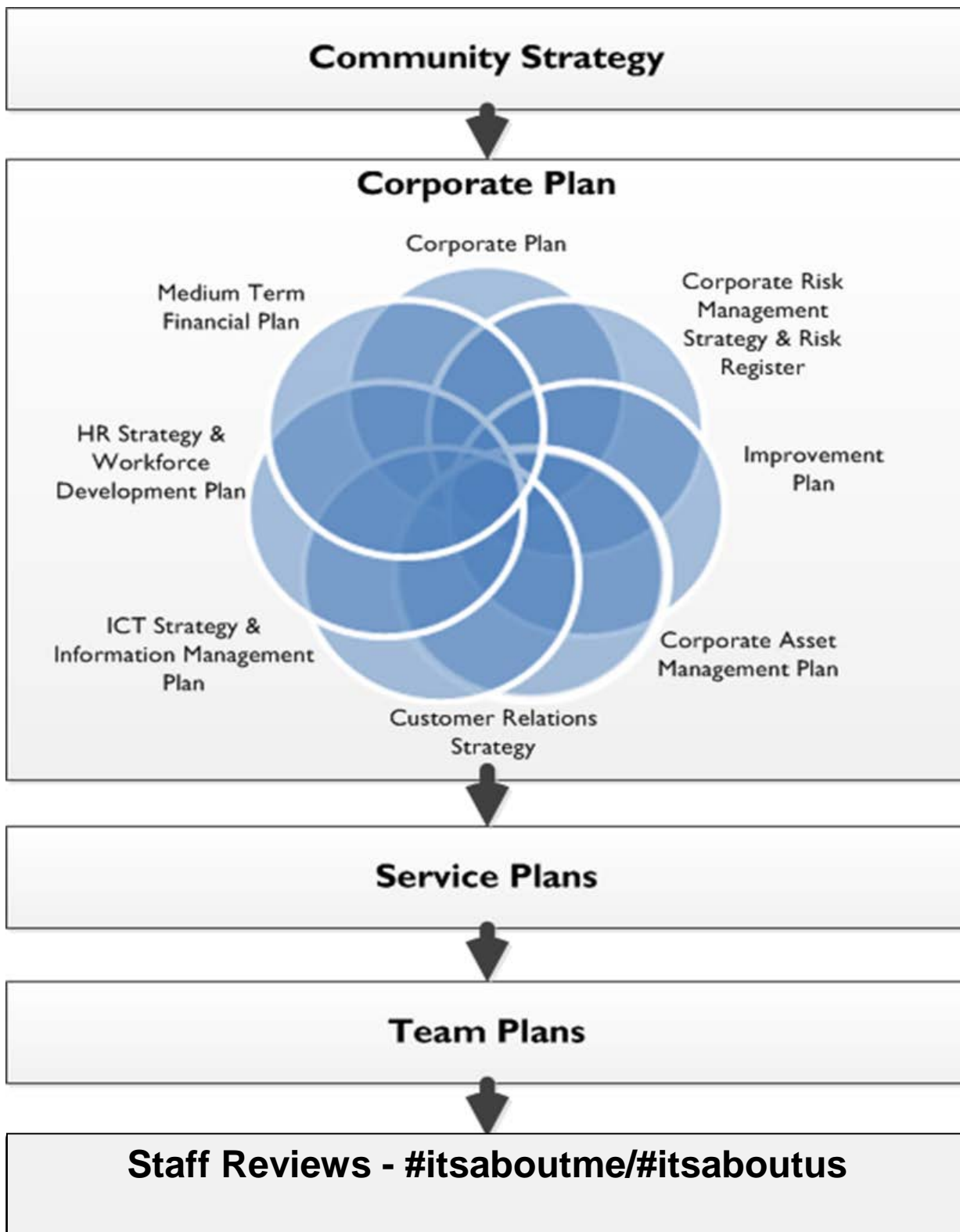
- A Corporate Plan covering the period 2016-20, published on 1st April 2016. A new draft Corporate Plan covering the period 2020-2024 has also been developed which is currently out for consultation.
- We have positively embraced our duties under the Well-being of Future Generations Act and embedded the five ways of working across the whole Council.
- Revised Scrutiny Committee structures were introduced in May 2016 to reflect the Well-being outcomes outlined in the current Corporate Plan.
- A revised Service /Business Plan template was introduced to reflect the Corporate Plan and is more focused.
- A revised Team Plan template was introduced mirroring the approach to Service Plans and this is used to support team development activity and the revised personal development review process.
- A new reporting format and a suite of measures involving Elected Members has been established with these focusing more on outcomes. We continue to refine these reports to enable us to better demonstrate progress towards achieving the Corporate Plan Well-being Outcomes.
- An “Insight Board” has been established comprising key officers across the Council to consider integrated planning issues and report to Corporate Management Team (CMT) and Cabinet. The work programme of the Board aligns with the CMT and Cabinet forward work programmes. This approach has contributed to more integrated business planning

practices, staff development opportunities, continued promotion of “one Council” working and significantly reduced the overall amount of officer time spent in meetings

- Revised and launched new staff appraisal (#itsaboutme) on line system in 2019 which reflects the Corporate Plan, Service Plan, Team Plan and the Council’s new Staff Charter.
- A Management Competency Framework has been developed and officers at team manager level and above have mandatory training to support the new ways of working in line with the Council’s service transformation agenda.
- A revised Training and Development Strategy has been completed and was formally launched during spring 2017.

The Council’s framework provides:-

- An integrated planning system, linking the high-level Corporate Plan and the Council’s Well-being Outcomes and Objectives to individual targets and objectives.
- A structure for performance measurement that includes more outcome focused performance indicators, targets, risks and actions.
- A development framework for Elected Members and staff to ensure they have the skills required to carry out their work
- An appraisal system that provides links between the planning framework and individual improvement targets for chief officers.
- A monitoring framework to ensure that all targets and action plans are delivered.



To shape the attitude and behaviour needed to deliver our vision and develop the performance culture, the Council has identified a set of values. These have been informed by staff and are consistent with the five ways of working which underpin the sustainable development principle and are central to the Well-being of Future Generations Act - in terms of looking to the long term, taking an integrated approach, involving and working in a collaborative way. Our values have been built into Personal Development Review processes and Member Development programme and will support a greater focus on prevention as we work to deliver our vision.

Our values (outlined below) describe the professional behaviours that will contribute to the Council's ability to adapt to future demand and deliver its Well-being Outcomes and Objectives contributing to achieving our vision of strong communities with a bright future:

- **Ambitious** - Forward thinking, embracing new ways of working and investing in our future.
- **Open** - Open to different ideas and being accountable for the decisions we take.
- **Together** - Working together as a team that engages with our customers and partners, respects diversity and is committed to quality services.
- **Proud** - Proud of the Vale of Glamorgan: proud to serve our communities and to be part of the Vale of Glamorgan Council.

The Council's Performance Management Framework is outlined in Appendix I and outlines a clear plan to achieving our objectives and standards expected for the landlord service.

## 7.2 What does this mean for Housing Services?

The Service Plan for Housing Services has been updated for 2020/21. This document is a key component of the Council's planning framework. It supports the delivery of the Corporate Plan and ultimately the overarching Community Strategy and the delivery of the day to day business activities of the Council and service. Our work links in directly to the Council's new draft Corporate Plan Priority Outcomes for Housing for 2020/21

During 2019-20 our service undertook the actions outlined below to contribute to Year 4 of the Corporate Plan Well-being Outcomes and Objectives.

Well-being outcome	Well-being objective	Ref	Action
WO1: An Inclusive and Safe Vale	O1: Reducing Poverty and Social Exclusion	IS002	Work with partners to deliver the objectives stated within Financial Inclusion Strategy
WO1: An Inclusive and Safe Vale	O1: Reducing Poverty and Social Exclusion	IS003	Provide information and support to residents affected by Welfare Reform and raise awareness of staff and partners about the impact of the changes.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS007	Complete the delivery of the Council House Improvement Programme.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS008	Continue with the council house building programme.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS009	Provide appropriate accommodation and support services for particular vulnerable groups.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS011	Increase the number of sustainable, affordable homes.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS013	Work with the Police and Crime Commissioner to pilot a new approach to supporting victims of domestic violence in Council Housing.
WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	IS014	Prevent and tackle incidents of anti-social behaviour including implementing restorative justice approaches for young people.



WO1: An Inclusive and Safe Vale	O2: Providing decent homes and safe communities	ISO16	Prevent and tackle incidents of anti-social behaviour including implementing restorative justice approaches for young people.
WO4: An Active and Healthy Vale	O7: Encouraging and promoting active and healthy lifestyles	AH2	Work with partners to deliver the Cardiff and Vale Substance Misuse Commissioning Strategy 2013-2018, providing support, information and effective interventions.

Further detail about the work planned to support these actions is provided within the service plan provided at appendix A

## 7.3 Housing Delivery Outcomes

### Part A - Service Principles

- We place the people who want to use our services at the heart of our work putting the citizen first.
- We live public sector values, by conducting our affairs with honesty and integrity, and demonstrate accountability through our behaviour.
- We make sure our purpose is clear and we achieve what we set out to do -knowing who does what and why.
- We engage with others to enhance and maximise outcomes for our service users and the community.

### Part B - Housing Services Delivered by All Local Authorities

- We work to prevent and alleviate homelessness whenever possible.in line with the Housing (Wales) Act 2014
- Strategic Housing Role - we assess and plan for the current and future housing needs of the local population across all tenures and display a corporate approach to deliver good quality affordable housing to households and communities.
- We have an effective approach to improving the quality and use of existing housing and promoting sustainable communities and bring back into use empty properties.

### Part C - Landlord Services (How We Deliver Efficient and Effective Landlord Services)

- We build and renovate homes to a good quality.
- We let homes in a fair, transparent and effective way.
- We manage our homes effectively.
- We repair and maintain homes in an efficient, timely and cost-effective way.
- We provide fair and efficient services for owners.

## Appendices

### Appendix A - Housing Service Plan



# Vale of Glamorgan Council Service Plan 2020/21

**Delivering our vision for the Vale of Glamorgan  
'Strong communities with a bright future'**

<b>Head of Service</b>	<b>Mike Ingram</b> Head of Housing & Building Services
<b>Director</b>	<b>Miles Punter</b> Director of Environment and Housing
<b>Cabinet Member</b>	Cabinet Member for Housing and Building Services
<b>Date signed off</b>	[TBA]

## 1. Introduction

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The Housing, Community Safety and Building Services Team deliver a range of customer focused services in the Vale. We have broadly defined our aims as:

- We respect and value our customers
- We know our customers and understand their needs
- We provide value for money services
- We work with partners to create sustainable communities
- Our staff are professional, know what is expected of them and trained and supported to achieve their potential
- We create a culture whereby everyone has a positive 'can do' attitude taking ownership and responsibility
- We get things right first time every time
- We are innovators, seeking to go the extra mile, sustaining existing customer relations and developing new ones
- We are a listening and learning team.

The team sit within the Environment and Housing Directorate together with Neighbourhood Services and Transport and the Shared Regulatory Service.

### 1.1 About our Service – Housing & Building Services

**Our broad functions are:**

- As the largest social landlord in the Vale of Glamorgan, maintaining and improving Council homes and other housing assets to a high standard; developing strategies and plans that support communities e.g. through initiatives focusing on skills and training and financial inclusion, community cohesion, digital inclusion and neighbourhood enhancement.
- Providing housing advice and preventing or mitigating homelessness.
- Administering a fair and transparent housing allocation policy through a multi-partner choice-based allocation system.
- Working with partners to establish a strategic for 'vision' for housing.
- Providing building contractor services to corporately owned buildings for maintenance, improvement and remodelling of the Council's building portfolio.
- To provide a monitoring and audit function of the Council's corporate compliance for public buildings including commissioning services where necessary.
- Developing new Council owned housing stock.
- Administering and monitoring the Supporting People programme in the Vale of Glamorgan.
- Facilitating through partners the provision of new social housing through innovative funding mechanisms and planning policy (in association with Planning colleagues).
- Undertaking capital building schemes for Council housing, schools and public buildings.
- Providing a security and cleaning service to public buildings and schools.
- Managing and maintaining an internal stores facility.
- Co-ordinating the Safer Vale Partnership's plans and strategies associated with community safety in the Vale; and working with our partners to tackle community safety related issues including domestic violence, substance misuse, anti-social behaviour and crime prevention.
- Developing the local approach to community cohesion.

### 1.2 The Purpose of Our Service Plan

This plan identifies how we will contribute towards achieving the Council's vision – **'Strong communities with a bright future'**.

Our Service Plan outlines our key priorities for the coming year and how we will manage our resources to deliver them.

It is important that as a Council we have shared values and our service is committed to delivering its priorities within the context of the Council's core values:

- **Ambitious:** Forward thinking, embracing new styles of working and investing in our future
- **Open:** Open to different ideas and being accountable for the decisions we take
- **Together:** Working together as a team that engages with our customers and partners, respects diversity and is committed to quality service
- **Proud:** Proud of the Vale of Glamorgan: proud to service our communities and to be part of the Vale of Glamorgan Council

Our Council's priorities are contained in the **Corporate Plan 2020-25** and are expressed as Well-being Objectives. These have been decided upon following consultation with key stakeholders including citizens of the Vale of Glamorgan. Our four Well-being Objectives are:

<b>Our Corporate Plan 2020-25 Well-Being Objectives</b>
Objective 1: To work with and for our communities
Objective 2: To support learning, employment and sustainable economic growth
Objective 3: To support people at home and in their community
Objective 4: To respect, enhance and enjoy our environment

The Well-being Objectives illustrate the contribution Council services will make to achieving the Well-being Goals for Wales. The Well-being Goals have been established to ensure that all relevant bodies in Wales are working towards the same vision as part of the Well-Being of Future Generations (Wales) Act 2015. The Act is about improving the social, economic, environmental and cultural well-being of Wales. The Act is intended to make public bodies think more about the long-term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach. The contribution our service will make to the Well-being Goals is highlighted throughout our Service Plan.

### 1.3 How We Work - Sustainable Development

The Well-being of Future Generations (Wales) Act puts in place a 'sustainable development principle' which tells organisations how to go about meeting their duty under the Act:

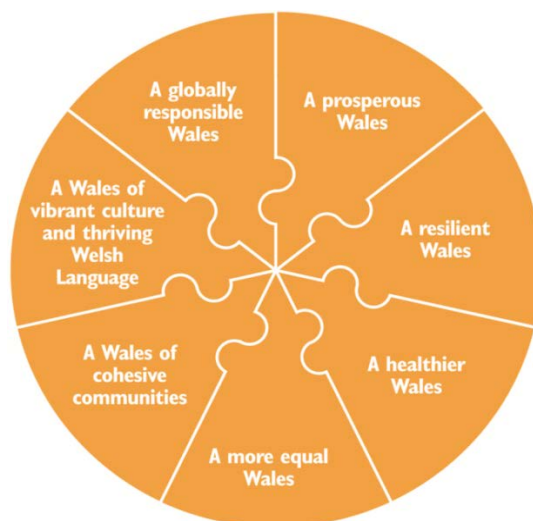
*"You must act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs, by taking account of the sustainable development principle".*

The sustainable development principle means considering how actions are taken to support continuous improvement by:

- Looking to the **long term** – for us this means planning for the future and taking a strategic approach to ensure services are sustainable and that we understand the future need and demand for services.
- Taking an **integrated** approach – for us this means thinking about the needs of our customers and working with our partners.
- **Involving** the population in decisions – for us this means engaging with our residents and customers, including the business community and ensuring that we are listening to a wide range of views to inform our thinking.
- Working in a **collaborative** way – for us this means recognising we can achieve more and deliver better services by working as part of a team, for example by working with the Third Sector, Town and Community Councils and neighbouring authorities.

- Understanding the root causes of issues and **preventing** them – for us this means being proactive in our thinking and understanding the need to tackle problems at source for example by undertaking needs assessments to inform our priorities.

In response, our Corporate Plan 2020-25 has reflected on the ways of working ensuring that it is consistent with our approach to planning for the future. These considerations are also reflected in the actions we will take as a service to deliver the Council's priorities as outlined in the Annual Delivery Plan. The chart below shows how this service area contributes to the Well-being Goals as defined in the Act. Our contribution is set out in more detail in our action plan which can be found at **Appendix A**.



## 2. Managing our Resources to Deliver Our Priorities

### 2.1 Managing Our Resources

We are committed to maximising the use of our resources so that we can deliver sustainable and cost effective services that best meet people's needs. The section sets out how we will manage our resources to achieve the actions set out in our Service Plan. The priorities for our service relating to ICT, assets, finance and workforce are reflected (where applicable) in the action plan at **Appendix A**.

### 2.2 Finance

The estimated base budget for our service area for 2020/21 is £20m, no cost pressures were identified for the service for the period 2020/21.

### 2.3 Our Workforce

Key Service Statistics 2018/19							
Service	Average headcount 2018/19	FTE 2018/19	Average days sick		Average days sickness per FTE	Turnover (no of leavers)	#itsaboutme completion rate (%)
			Long term	Short term			
Housing	71.5	66.75	6.83	3.03	9.86	5 (6.99%)	100%
Building	270	164.50	9.26	3.90	13.16	14 (5.19%)	100%

Despite our challenges, it is important that we continue to maintain and develop the workforce necessary to meet future service needs both in terms of the numbers employed and the skills and competency required of those employees to deliver our Corporate Plan priorities. This approach is in line with the sustainable development principles set out in the Well-being of Future Generations

(Wales) Act 2015 in terms of seeking to plan for the long-term. Our key workforce development priorities for 2020/21 reflect our continuing commitment to maximising the performance and potential of all employees to deliver the Council's ambitious change agenda.

#### **2.4 Digital Vale (ICT)**

In line with corporate direction we continue to use ICT to work smarter and more flexibly through exploring new ways of working digitally and investing in new technologies. Our ICT priorities for 2020/21 reflect our continuing commitment to working smarter and more flexibly in line with the Council's Digital Strategy.

#### **2.5 Our Assets**

In line with our Corporate Strategy, the service will focus on the suitability and sufficiency of assets to meet our service and corporate objectives by targeting any underperforming assets, reducing the amount of accommodation used to deliver our services as well as identifying opportunities for the provision of multiple service delivery from an asset (co-location). Our key asset priorities for 2020/21 reflect our continuing commitment to working smarter and more flexibly to maximise our opportunities.

### **3. Risk Evaluation**

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#### **3.1 Corporate and Service Risks**

Identifying and analysing the risks to our service at both the service level and corporate level is a fundamental aspect of understanding what could prevent us from meeting our Well-being Objectives and priorities as set out in the Corporate Plan 2020-25.

**Appendix B** outlines our Corporate and Service specific risks along with their scoring (as at April 2020).

For corporate risks that require further mitigation, actions (where relevant) have been identified for delivery in 2020/21 and these are outlined in **Appendix B**. Not all risks will necessitate a mitigating activity across all service areas. Some risks will already be effectively managed through existing controls that are in place, whilst for others there may be no further mitigating activity that is applicable.

Appendix A

## Housing and Building Services Action Plan 2020/21

Well-being Objective	Service Action	Contribution to our Annual Delivery Plan Commitment/s	Contribution to Well-being Goals	Integration with the 5 Ways of Working	Start / Finish date	Responsible Officer /Resources required	Action Ref No.
WO1.1	Develop a new Tenant and Leaseholder Engagement Strategy to improve how we involve, engage and communicate with our tenants and leaseholders.	WO 1.3 WO 3.9, 3.12	Equal Wales Wales of Cohesive Communities	Long Term Integrated Involving Collaborative Preventing	01/04/2020 to 31/03/2021	Pam Toms  Within existing resources.	
WO1.2	Contribute towards the Council's Digital Vale programme by developing a Digital Transformation Strategy for Housing and Building Services.		Prosperous Wales Resilient Wales Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Integrated Involving Collaborative Preventing	01/04/2020 to 31/03/2021	Mike Ingram, Pam Toms and Andrew Treweek  Within existing resources.	
WO1.4	Identify and develop a suitable Gypsy and Traveller site in consultation with Gypsy and Travellers and other stakeholders including Welsh Government to ensure equality of opportunity for all and compliance with the Housing (Wales) Act 2014.	WO 1.1 WO 3.9, 3.12	Prosperous Wales Equal Wales Healthier Wales Wales of Cohesive Communities	Long Term Integrated Involving Collaborative Preventing	01/04/2020 to 31/03/2021	Mike Ingram, Pam Toms  Within existing resources.	

Well-being Objective	Service Action	Contribution to our Annual Delivery Plan Commitment/s	Contribution to Well-being Goals	Integration with the 5 Ways of Working	Start / Finish date	Responsible Officer /Resources required	Action Ref No.
WO1.4	Work in partnership with Cardiff City Council to explore the Council's participation in a regional Global Resettlement initiative to ensure that we are able to meet the needs of refugees.	WO 3.8, 3.9, 3.12	Prosperous Wales Healthier Wales Equal Wales Wales of Cohesive Communities Globally Responsible Wales	Long Term Integrated Involving Collaborative Preventing	01/04/2020 to 31/03/2021	Mike Ingram, Pam Toms  Within existing resources.	
WO2.4	Continue to promote community investment opportunities to assist Council tenants into volunteering, training and work opportunities.	WO 2.6 WO3.1,3.9,3.11, WO 4.2, 4.4	Healthier Wales Equal Wales Wales of Cohesive Communities Wales Vibrant Culture & Thriving Welsh Language	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Pam Toms  Within existing resources.	
WO2.5	Develop a centrally located housing advice and support hub for all residents of the Vale of Glamorgan to ensure that citizens are able to access appropriate money advice and support.	WO 3.12	Prosperous Wales Resilient Wales Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Pam Toms  Within existing resources.	
WO2.6	Investigate and promote the expansion of the Timebanking scheme with other stakeholders and partners.	WO 2.6 WO 3.1, 3.9 WO 4.2, 4.4	Prosperous Wales Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram  Within existing resources.	
WO3.1	Develop a new Community Investment Strategy to include initiatives that will build strong resilient	WO 2.6 WO 3.1, 3.9, 4.2, 4.4	Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration	01/04/2020 to 31/03/2021	Mike Ingram, Pam Toms	



Well-being Objective	Service Action	Contribution to our Annual Delivery Plan Commitment/s	Contribution to Well-being Goals	Integration with the 5 Ways of Working	Start / Finish date	Responsible Officer /Resources required	Action Ref No.
	communities and improve tenant quality of life and wellbeing.		Wales Vibrant Culture & Thriving Welsh Language	Involvement		Within existing resources.	
WO3.4	Develop an Older Person Accommodation with Care, Care Ready and Support Strategy to meet the needs of older people.	WO 3.6, 3.8	Prosperous Wales Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Pam Toms  Within existing resources.	
WO3.8	Work in partnership with Cardiff City Council and Cardiff and Vale Health Board to improve the outcomes of individuals and families affected by violence and abuse.	WO 3.8, 3.9, 3.10	Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Pam Toms  Within existing resources.	
WO3.9	Work with partners across the Cardiff and Vale region to improve the way we engage with communities and enhance community cohesion in the Vale.	WO 1.4 WO 3.8, 3.9, 3.10	Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Debbie Gibbs  Within existing resources.	
WO3.9	Work with partners to deliver pathways and provide advice and support to people who experience abuse, harassment and stalking, hate crime, including women from ethnic minorities, disabled women, women with complex needs, children	WO 1.4 WO 3.8, 3.9, 3.10	Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Debbie Gibbs  Within existing resources.	

Well-being Objective	Service Action	Contribution to our Annual Delivery Plan Commitment/s	Contribution to Well-being Goals	Integration with the 5 Ways of Working	Start / Finish date	Responsible Officer /Resources required	Action Ref No.
	and young people and men.						
WO3.9	Improve community safety and well-being for those that live, work and visit the Vale of Glamorgan by working with our partners to reduce crime and disorder.	WO 1.4 WO 3.8, 3.9, 3.10	Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Debbie Gibbs  Within existing resources.	
WO 3.11	Increase the supply of Council rented accommodation through the new Council House Build Programme.	WO 2.8 WO 3.9, 3.12 WO 4.1, 4.5	Prosperous Wales Resilient Wales Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Andrew Treweek  Within existing resources.	
WO3.11	Develop a new five-year Local Housing Strategy in consultation with all stakeholders to address local housing needs.	WO 2.8	Prosperous Wales Resilient Wales Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Pam Toms  Within existing resources.	
WO3.12	Improve housing advice and support to ensure that residents have access to the housing and services they need to live independently and plan their housing futures.	WO 2.5 WO 3.11	Prosperous Wales Resilient Wales Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Andrew Treweek, Pam Toms  Within existing resources.	
WO3.12	Deliver and promote equality of access to	WO 2.5 WO 3.11	Prosperous Wales Resilient Wales Healthier Wales	Long Term Prevention Integration	01/04/2020 to 31/03/2021	Mike Ingram, Andrew Treweek, Pam Toms	

Well-being Objective	Service Action	Contribution to our Annual Delivery Plan Commitment/s	Contribution to Well-being Goals	Integration with the 5 Ways of Working	Start / Finish date	Responsible Officer /Resources required	Action Ref No.
	housing and housing services.		Equal Wales Wales of Cohesive Communities	Collaboration Involvement		Within existing resources.	
WO3.12	Develop a housing support programme strategy to prevent homelessness in the Vale of Glamorgan.	WO 2.5 WO 3.11	Prosperous Wales Resilient Wales Healthier Wales Equal Wales Wales of Cohesive Communities	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Andrew Treweek, Pam Toms  Within existing resources.	
WO4.1	Investigate opportunities for an affordable housing development which is carbon neutral and includes Modern Methods of Construction (MMC) and off-site manufacturing.	WO 2.8 WO 3.9, 3.11	Prosperous Wales Resilient Wales Healthier Wales Equal Wales Wales of Cohesive Communities Globally Responsible Wales	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Andrew Treweek  Within existing resources.	
WO4.1	Continue to improve thermal efficiency in our existing housing stock by maximising the performance of the existing components and materials of our homes and looking at alternative fuel supplies to support carbon reduction and reduce fuel poverty.	WO 2.8 WO 3.9, 3.11	Prosperous Wales Resilient Wales Healthier Wales Equal Wales Wales of Cohesive Communities Globally Responsible Wales	Long Term Prevention Integration Collaboration Involvement	01/04/2020 to 31/03/2021	Mike Ingram, Andrew Treweek  Within existing resources.	
WO4.4	Deliver a range of environmental projects through the Community	WO2.4, 2.6, WO3.1, 3.9 WO4.5, 4.6, 4.7, 4.8	Prosperous Wales Resilient Wales Healthier Wales	Long Term Prevention Integration	01/04/2020 to 31/03/2021	Mike Ingram, Andrew Treweek and Pam Toms	

Well-being Objective	Service Action	Contribution to our Annual Delivery Plan Commitment/s	Contribution to Well-being Goals	Integration with the 5 Ways of Working	Start / Finish date	Responsible Officer /Resources required	Action Ref No.
	Investment scheme to enhance the local area and improve neighbourhoods.		Equal Wales Wales of Cohesive Communities Globally Responsible Wales	Collaboration Involvement		Within existing resources.	

## Appendix B

### Housing and Building Services 2020/21

#### Corporate Risks

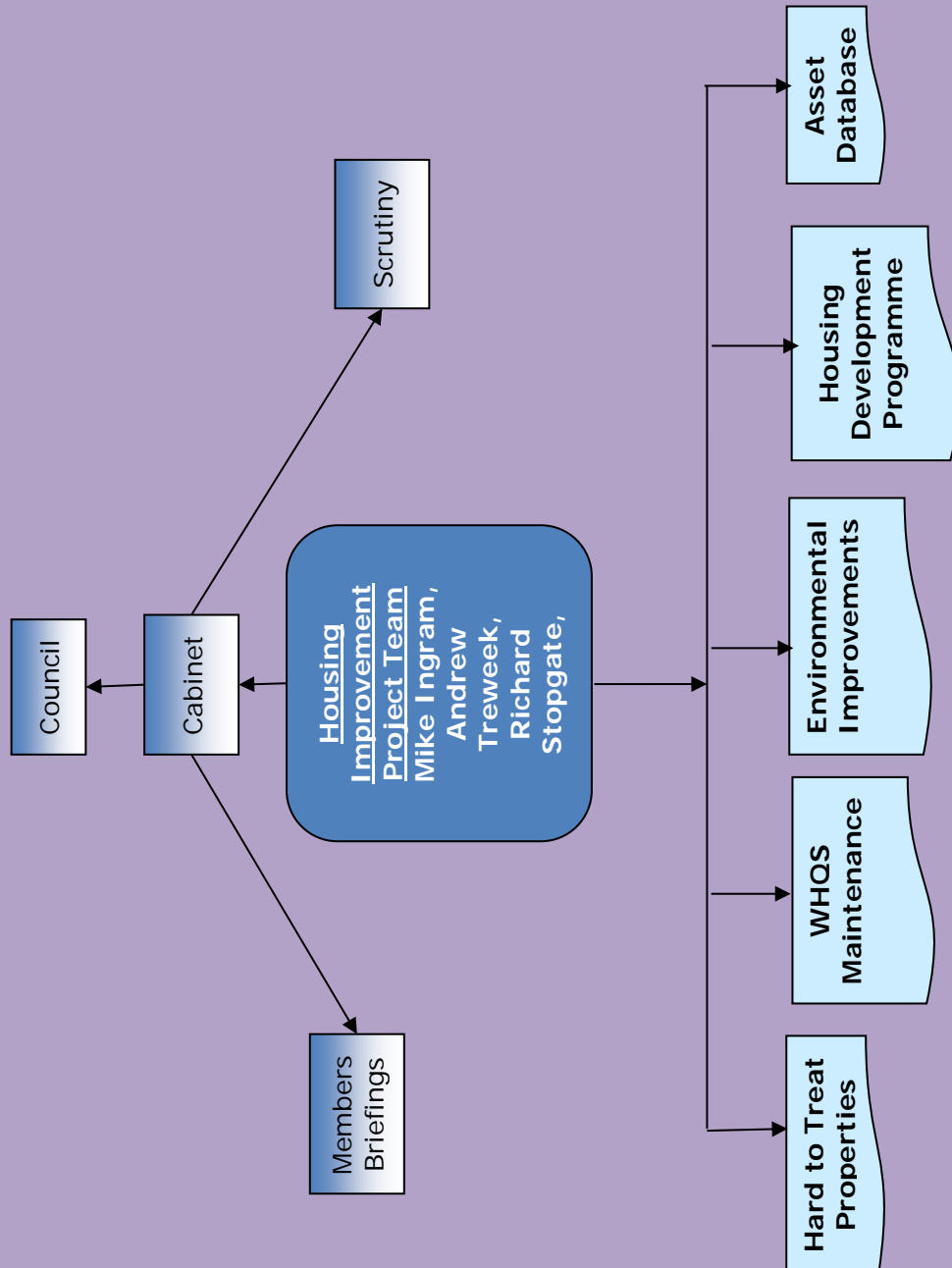
Risk description	Residual Risk Score (as at April 2020)			Risk Mitigating Actions
	Likelihood	Impact	Residual risk	
<b>CR1 Reshaping:</b> The Council fails to deliver the Reshaping Services Programme and does not utilise alternative methods of service delivery and other approaches to mitigate the impact of budget reductions and demand for services which could result in further cuts to services impacting on their availability and quality.	2	2	(4) Medium	No further mitigating actions identified.
<b>CR5 Workforce Needs:</b> Inability to anticipate and plan for workforce needs in the future in order to meet the changes in demand and provision of services.	2	2	(4) Medium	Recruit an apprentice in both the housing management and community investment team. Implement a Talent Succession Programme. Pilot a corporate succession programme. Restructure Building Services. Contribute towards the Council's Digital Vale programme by developing a Digital Transformation Strategy for Housing and Building Services.
<b>CR6 Information Security:</b> Failure to implement adequate information management controls and systems across the Council.	3	3	(9) Medium/High	No further mitigating actions identified.
<b>CR7 Environmental Sustainability:</b> Failure to reduce our carbon foot print and mitigate against the impact/effects of climate change.	2	3	(6) Medium	Develop a co-ordinated approach to tackling fuel poverty recognising the expertise and contribution of Registered Social Landlords towards achieving this goal.
<b>CR8 Welfare Reform:</b> Roll out of Welfare Reform programme has a detrimental financial and social impact on residents.	2	2	(4) Medium	Review the existing money advice service to target tenants claiming Universal Credit.

Risk description	Residual Risk Score (as at April 2020)			Risk Mitigating Actions
	Likelihood	Impact	Residual risk	
<b>CR9 Public Buildings Compliance:</b> Failure to comply with our statutory responsibilities for ensuring the health, safety and welfare of both our staff and citizens when using Council owned and leased assets.	2	2	(4) Medium	Monitor corporate building compliance within Schools to raise awareness with premises Managers of any compliance risks. Provide regular compliance updates to the school investment operational board. Review funding arrangements to ensure long term building compliance sustainability.
<b>CR10 Safeguarding:</b> Failure to meet our statutory responsibilities for responding effectively to situations where people are at risk of neglect or abuse.	1	3	(3) Medium / Low	No further mitigating actions identified.
<b>CR14: Brexit</b> Failure to effectively identify and respond to the changing policy and legislative landscape as a result of 'Brexit' and the impact this has on our ability to deliver services to our citizens	3	3	(9) Medium / High	New risk

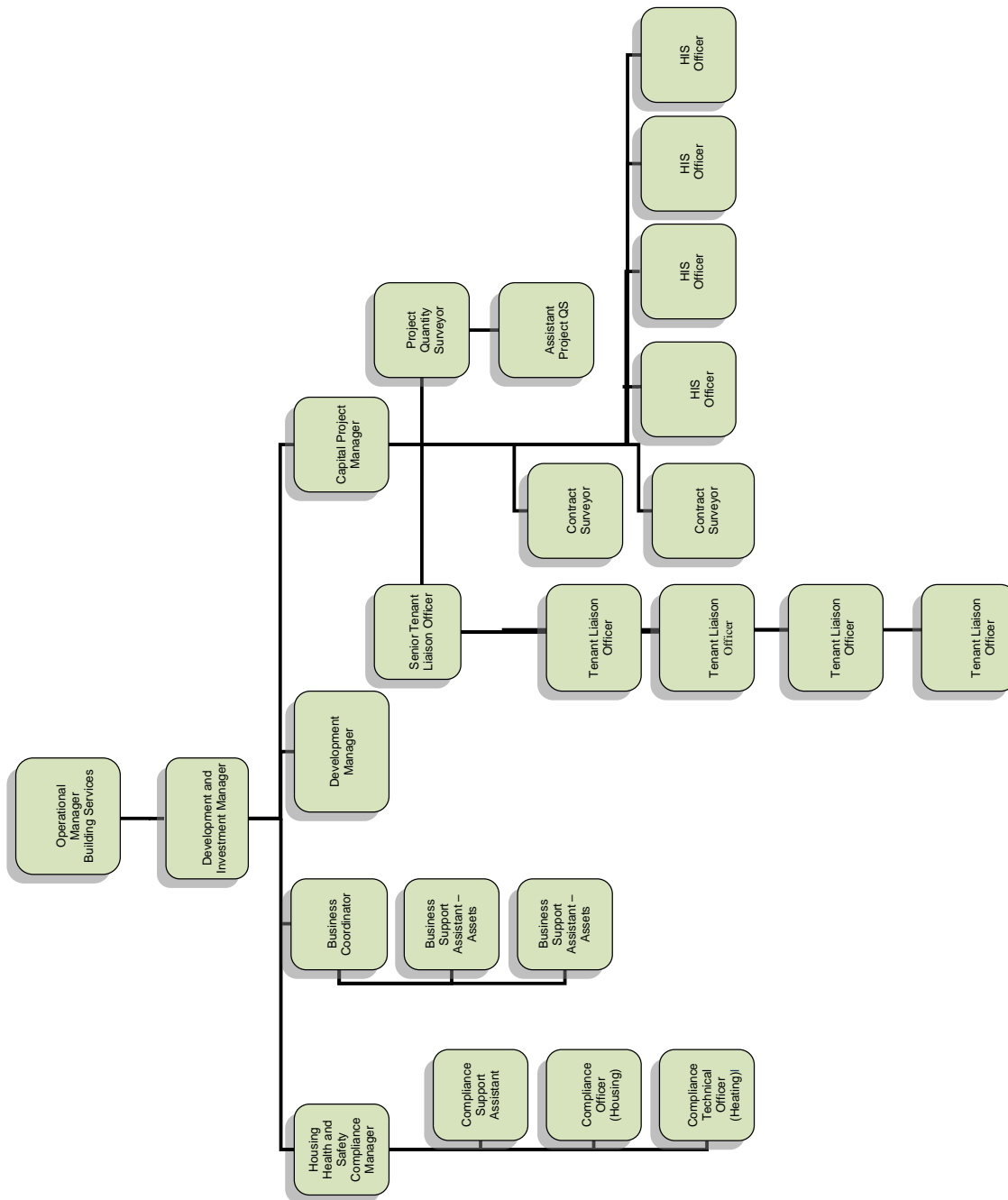
### Service Level Risks

Risk description	Residual Risk Score (as at April 2020)			Risk Status
	Likelihood	Impact	Residual risk	
Client budgetary pressures impacting on the viability of the DSO trading account	3	3	9	Medium/High
Failure to increase the supply of affordable housing as a result of the decrease in the Social Housing Grant and Affordable Housing Grant.	2	3	6	Medium
Detrimental impact on the HRA base budget as a result of National rent policies including non-eviction.	2	3	6	Medium
Increase in homelessness presentations and acceptances due to welfare reforms in particular Universal Credit	2	2	4	Medium
Failure to discharge our homelessness duty due to a lack of good quality appropriate private sector housing.	3	3	9	Medium/High
Short term nature of Community Safety budgets resulting in a lack/gap in funding.	3	3	9	Medium High

# Housing Improvement Programme Governance Structure



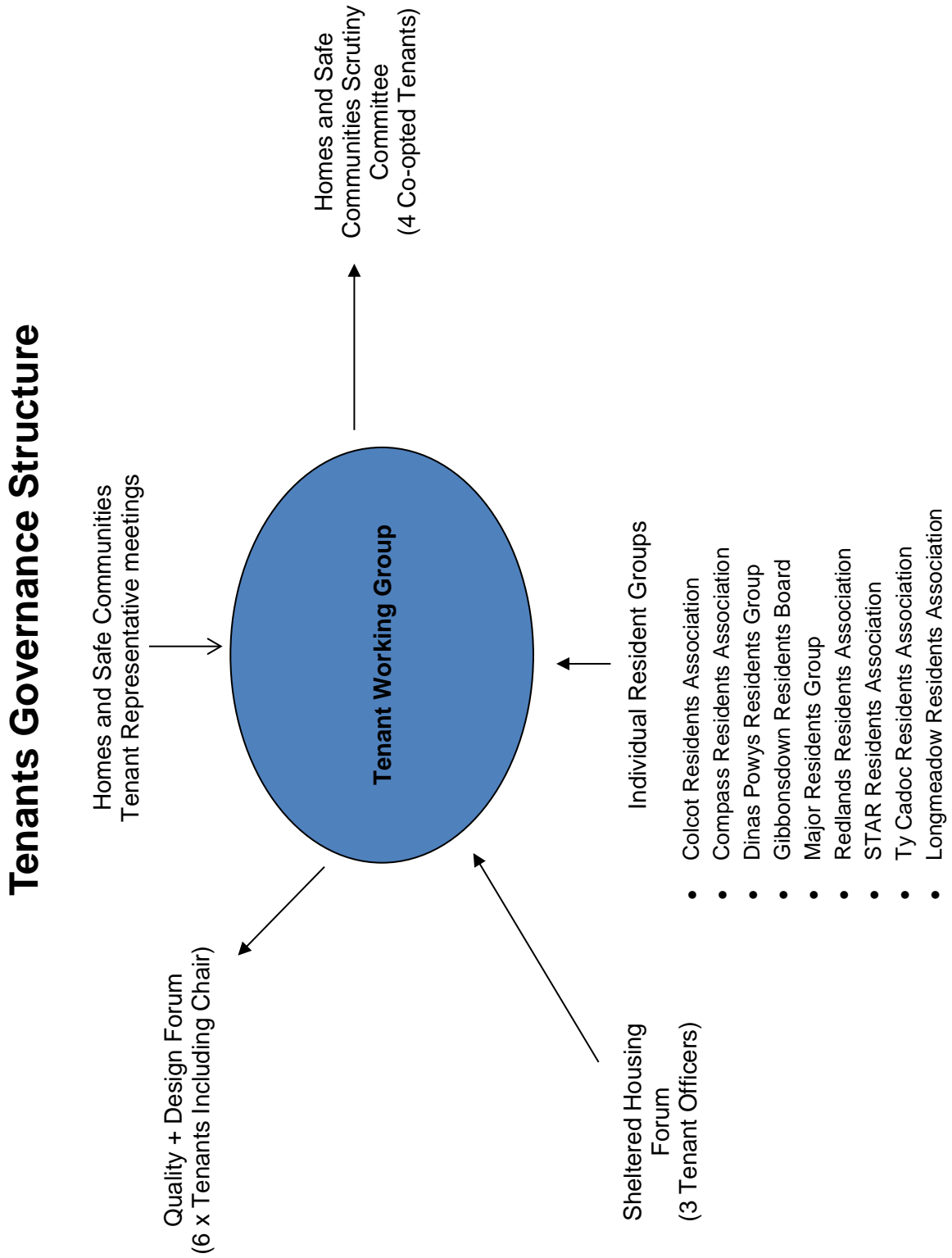
## Appendix C - Housing Improvement Team Structure



**Note:** In respect of delivering the Housing Improvement Programme to meet the WHQS, the Council has split the Vale into four contract areas (external contractor for each area). In doing so, there is a Housing Improvement Supervisor (Clerk of Works) and a Tenant Liaison Officer for each area. These officers work very closely with tenants and contractors on a daily basis. Building Services directly manage WHQS voids as and when properties become available.



# Appendix D – Tenants Governance Structure



## Appendix E – Housing Investment Programme

	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Projected	2020/21 Budget	Total
Schemes	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Internal Elements	3,857	934	631	856	852	2,004	9,134
External Elements	7,364	10,488	9,539	3,581	3,459	1,893	36,324
Asbestos Management	811	122	0	0	0	0	933
Council Housing Aids and Adaptations	367	290	325	363	526	400	2,271
Common Parts	179	66	377	1,022	1,602	4,546	7,792
Re-ablement ICF	0	78	155	-12	0	0	221
Arbed Project	2,069	250	0	0	0	0	2,319
General Improvements	191	47	0	619	0	0	857
Individual Schemes	854	2,566	358	-2	243	3400	7,419
Emergency Works	150	141	110	102	420	300	1,223
Environmental Improvements	216	382	2,239	1,972	1,953	2,878	9,640
New Build & Regeneration	5	169	606	861	10,044	10,476	22,161
Digital Highway in Sheltered Accommodation	0	0	19	6	0	0	25
ICF - Penarth Older Persons Village	0	0	0	24	0	0	24
Energy Efficiency	0	0	0	0	0	1150	1,150
<b>Total Housing Improvement Programme</b>	<b>16,063</b>	<b>15,533</b>	<b>14,359</b>	<b>9,392</b>	<b>19,099</b>	<b>27,047</b>	<b>101,493</b>

## Appendix F - HRA Business Plan Assumptions

Item	2020
Inflation (CPI)	1.7% (Based on Welsh Government Guidance).
Standard Stock Level at 1 <sup>st</sup> April 2020	3,826
Minimum level of balances to be maintained	£890k in real terms; this is considered to be a prudent level.
Supervision & Management costs	Based on 2020/21 budget estimates rising with annual inflation and split 50:50 in terms of fixed and variable costs. With the variable cost element changing according to stock numbers.
Revenue Repairs spending	£926 per unit in 2020/21, increasing to £1,057 in 2021/22 then with inflation only in future years.
Rents	Gross average rents for standard stock units are £99.79 in 2020/21 calculated on a 52-week basis. After 2021/22 rents have been assumed to increase by CPI + 1% as per WG Business Plan Guidance.
Void & bad debts	Void have been set at 1% for standard stock units based on the current position. Bad debts set at 6% in 2020/21 and 2021/22 and reducing back down to 3% for subsequent years. This is thought to be prudent in terms of Welfare Reform.
All other revenue income & expenditure	Based on 2020/21 Budget.
Capital Investment / Stock Condition	Based on stock condition data within the Keystone Asset Management System, and any known issues.
Major Repairs Allowance	£2.760m. Assumed no inflation.
Peak Debt	£166.957m (Year 17).
Repayment of Debt	Year 31+.
RTB sales	None.
Interest Rates	Current Pool Rate – 3.84% Interest on Balances - 0.85% (estimated average 3-month LIBID)

## Appendix G (i) – HRA Business Plan, Major Repairs & Improvements

**Vale of Glamorgan County Borough Council**  
**HRA Business Plan**  
**Major Repairs and Improvements Financing**  
(expressed in money terms)

Year	Expenditure				Financing				
	WHQS Imp & Maint £,000	Regen & Remodelling £,000	New Build Development Costs £,000	Total Expenditure £,000	Borrowing £,000	Other £,000	MRA £,000	RCCO £,000	Total Financing £,000
2020.21	13,693	2,878	10,476	27,047	17,359	1,263	2,760	5,665	27,047
2021.22	7,113	3,702	13,966	24,780	16,807	300	2,760	4,913	24,780
2022.23	7,482	1,148	13,127	21,756	13,334	0	2,760	5,663	21,756
2023.24	5,004	3,424	13,127	21,554	12,552	0	2,760	6,242	21,554
2024.25	5,084	1,125	14,027	20,236	10,514	0	2,760	6,962	20,236
2025.26	9,322	1,353	6,562	17,237	6,383	0	2,760	8,094	17,237
2026.27	10,089	1,856	6,657	18,601	6,976	0	2,760	8,866	18,601
2027.28	10,260	1,888	6,897	19,045	6,760	0	2,760	9,525	19,045
2028.29	10,435	1,920	7,014	19,369	6,372	0	2,760	10,237	19,369
2029.30	16,540	1,952	7,134	25,626	12,006	0	2,760	10,860	25,626
2030.31	10,009	1,510	7,255	18,775	9,598	0	2,760	6,416	18,775
2031.32	10,180	1,536	7,378	19,094	5,127	0	2,760	11,207	19,094
2032.33	10,353	1,562	7,504	19,418	12,518	0	2,760	4,140	19,418
2033.34	10,529	1,589	7,631	19,748	2,743	0	2,760	14,245	19,748
2034.35	10,708	1,616	7,761	20,084	10,087	0	2,760	7,237	20,084
2035.36	14,946	1,331	7,893	24,171	4,888	0	2,760	16,522	24,171
2036.37	15,200	1,354	8,027	24,582	12,282	0	2,760	9,540	24,582
2037.38	15,459	1,377	8,164	24,999	3,314	0	2,760	18,926	24,999
2038.39	15,722	1,401	8,302	25,424	10,536	0	2,760	12,128	25,424
2039.40	15,989	1,424	8,443	25,857	1,393	0	2,760	21,704	25,857
2040.41	13,254	1,449	8,587	23,290	5,371	0	2,760	15,159	23,290
2041.42	13,480	1,473	8,733	23,686	0	0	2,760	20,926	23,686
2042.43	13,709	1,498	8,881	24,089	2,334	0	2,760	18,994	24,089
2043.44	13,942	1,524	9,032	24,498	0	0	2,760	21,738	24,498
2044.45	14,179	1,550	9,186	24,914	0	0	2,760	22,154	24,914
2045.46	8,657	1,710	9,342	19,710	0	0	2,760	16,950	19,710
2046.47	8,805	1,739	9,501	20,045	0	0	2,760	17,285	20,045
2047.48	8,954	1,769	9,662	20,386	0	0	2,760	17,626	20,386
2048.49	9,107	1,799	9,827	20,732	0	0	2,760	17,972	20,732
2049.50	9,261	1,829	9,994	21,085	0	0	2,760	18,325	21,085
<b>Total</b>	<b>337,462</b>	<b>52,285</b>	<b>270,091</b>	<b>659,838</b>	<b>189,255</b>	<b>1,563</b>	<b>82,800</b>	<b>386,220</b>	<b>659,838</b>

# Appendix G (ii) – HRA Business Plan Operating Account

Year	Income							Expenditure										Net Operating (Expenditure) £,000	Repayment of loans £,000	RCCO £,000	Surplus (Deficit) for the Year £,000	Surplus (Deficit) b/fwd £,000	Interest £,000	Surplus (Deficit) c/fwd £,000
	Netrent income £,000	Other income £,000	Misc Hsg Income £,000	WG Aff Hsg Grant £,000	RTB Admin £,000	Total Income £,000	Managt. £,000	Repairs & Maintenance £,000	Other Revenue spend £,000	Cost of HRA Rebates £,000	Misc expenses £,000	Total expenses £,000	Capital Charges £,000											
1	2020.21	19,308	493	32	133	0	19,967	(5,094)	(3,543)	(199)	0	(457)	(9,293)	(4,988)	5,675	0	(5,665)	10	873	7	891			
2	2021.22	20,115	502	33	133	0	20,783	(5,181)	(4,112)	(203)	0	(485)	(9,960)	(5,893)	4,930	0	(4,913)	17	891	8	915			
3	2022.23	21,812	510	33	133	0	22,489	(5,269)	(4,181)	(206)	0	(473)	(10,129)	(6,690)	5,670	0	(5,663)	7	915	8	930			
4	2023.24	23,184	519	34	133	0	23,870	(5,358)	(4,253)	(210)	0	(481)	(10,301)	(7,319)	6,250	0	(6,242)	8	930	8	946			
5	2024.25	24,617	528	34	133	0	25,313	(5,449)	(4,325)	(213)	0	(489)	(10,476)	(7,867)	6,970	0	(6,962)	8	946	8	962			
6	2025.26	25,900	537	35	133	0	26,605	(5,542)	(4,398)	(217)	0	(497)	(10,654)	(7,849)	8,101	0	(8,094)	7	962	8	977			
7	2026.27	27,044	546	36	133	0	27,759	(5,636)	(4,473)	(220)	0	(506)	(10,836)	(8,049)	8,874	0	(8,866)	8	977	8	994			
8	2027.28	28,091	555	36	133	0	28,816	(5,732)	(4,549)	(224)	0	(514)	(11,020)	(8,262)	9,534	0	(9,525)	8	994	8	1,011			
9	2028.29	29,175	565	37	133	0	29,910	(5,829)	(4,627)	(228)	0	(523)	(11,207)	(8,458)	10,246	0	(10,237)	8	1,011	9	1,028			
10	2029.30	30,298	575	38	133	0	31,043	(5,929)	(4,753)	(232)	0	(532)	(11,445)	(8,729)	10,869	0	(10,860)	10	1,028	9	1,046			
11	2030.31	31,460	585	38	133	0	32,216	(6,029)	(4,833)	(236)	0	(541)	(11,640)	(9,151)	11,425	(5,000)	(6,416)	8	1,046	9	1,064			
12	2031.32	32,662	595	39	133	0	33,429	(6,132)	(5,005)	(240)	0	(550)	(11,927)	(9,131)	12,371	(1,156)	(11,207)	8	1,064	9	1,081			
13	2032.33	33,907	605	39	133	0	34,684	(6,236)	(5,223)	(244)	0	(560)	(12,263)	(9,271)	13,150	(9,000)	(4,140)	10	1,081	9	1,101			
14	2033.34	35,195	615	40	133	0	35,983	(6,342)	(5,480)	(248)	0	(569)	(12,639)	(9,091)	14,253	0	(14,245)	8	1,101	9	1,118			
15	2034.35	36,528	626	41	133	0	37,328	(6,450)	(5,632)	(252)	0	(579)	(12,913)	(9,167)	15,247	(8,000)	(7,237)	11	1,118	10	1,138			
16	2035.36	37,907	636	41	133	0	38,718	(6,559)	(5,789)	(257)	0	(589)	(13,194)	(8,993)	16,531	0	(16,522)	9	1,138	10	1,156			
17	2036.37	39,334	647	42	133	0	40,157	(6,671)	(5,887)	(261)	0	(599)	(13,418)	(9,189)	17,551	(8,000)	(9,540)	11	1,156	10	1,177			
18	2037.38	40,811	658	43	133	0	41,646	(6,784)	(5,987)	(265)	0	(609)	(13,646)	(9,066)	18,934	0	(18,926)	9	1,177	10	1,196			
19	2038.39	42,339	670	44	133	0	43,186	(6,900)	(6,089)	(270)	0	(619)	(13,878)	(9,168)	20,139	(8,000)	(12,128)	11	1,196	10	1,217			
20	2039.40	43,920	681	44	133	0	44,778	(7,017)	(6,193)	(274)	0	(630)	(14,114)	(8,952)	21,713	0	(21,704)	9	1,217	10	1,237			
21	2040.41	45,555	693	45	133	0	46,426	(7,136)	(6,298)	(279)	0	(641)	(14,354)	(8,903)	23,170	(8,000)	(15,159)	11	1,237	11	1,258			
22	2041.42	47,246	705	46	133	0	48,130	(7,258)	(6,405)	(284)	0	(651)	(14,598)	(8,406)	25,126	(4,122)	(20,926)	79	1,258	11	1,348			
23	2042.43	48,996	717	47	133	0	49,893	(7,381)	(6,514)	(289)	0	(662)	(14,846)	(8,111)	26,936	(8,000)	(18,994)	(58)	1,348	11	1,301			
24	2043.44	50,806	729	47	133	0	51,716	(7,507)	(6,624)	(294)	0	(674)	(15,098)	(7,468)	29,149	(7,280)	(21,738)	132	1,301	12	1,445			
25	2044.45	52,678	742	48	133	0	53,601	(7,634)	(6,737)	(299)	0	(685)	(15,355)	(7,020)	31,227	(9,164)	(22,154)	(91)	1,445	12	1,365			
26	2045.46	54,614	755	49	133	0	55,551	(7,764)	(6,852)	(304)	0	(697)	(15,616)	(6,111)	33,824	(16,605)	(16,950)	289	1,365	13	1,647			
27	2046.47	56,616	768	50	133	0	57,557	(7,896)	(6,968)	(309)	0	(709)	(15,882)	(5,057)	36,628	(19,288)	(17,285)	55	1,647	14	1,716			
28	2047.48	58,687	781	51	0	0	59,518	(8,030)	(7,087)	(314)	0	(721)	(16,152)	(3,884)	39,483	(21,806)	(17,626)	51	1,716	15	1,823			
29	2048.49	60,828	794	52	0	0	61,674	(8,167)	(7,207)	(319)	0	(733)	(16,426)	(2,595)	42,653	(24,625)	(17,972)	56	1,762	15	1,953			
30	2049.50	63,042	808	53	0	0	63,902	(8,305)	(7,330)	(325)	0	(745)	(16,705)	(1,178)	46,019	(27,636)	(18,325)	59	1,853	16	1,823			

# Appendix H – Sensitivity Analysis

Ref	Key Risk(s)	Rate of Change(s) modelled	Description of risk and reason for inclusion	Pre-mitigation			Post-mitigation				
				Impact on HRA reserves (value and timescale)	Impact on WHQS maintenance	Impact on Borrowing at Year 30 in comparison to Base Case £2,634m	Potential Mitigating action(s) Description	Potential Mitigating action(s) Impact (value and timescale)	Residual Impact on HRA reserves (value and timescale)	Residual Impact on WHQS maintenance	What is the peak debt?
Base case CPI assumed at 1.7% as per WG guidance											
Base case closing debt balance at Y30 = £2,634m											
Base case closing reserve balance at Y30 = £1,929m											
1	Rent	Reduction in rate of increase to CPI + 0.5%	2021 is the first year of the new Rent Policy. Rent increase has been fixed for 5 years at CPI (as at the Previous September) plus 1%.	HRA reserve set and maintained at a level that is deemed prudent.	No shortfall -WHQS maintained	£126,653m outstanding which is an increase of £123,999m	NA	NA	HRA reserve set and maintained at a level that is deemed prudent.	NA	£202,796m in Y120
2	Rent	Reduction to CPI only	2021 is the first year of the new Rent Policy. Rent increase has been fixed for 5 years at CPI (as at the Previous September) plus 1%.	HRA reserve is £412k which is below the prudent level in Y13 by £676k	No shortfall -WHQS maintained	£240,241m outstanding which is an increase of £237,607m	Scale back new build development programme and Environmental works & Regeneration	Reduce the number of proposed new builds in years 8 to 13 by 52 units per year and cease Environmental works between Years 8 and 13 saving £8,860m	HRA reserve set and maintained at a level that is deemed prudent.	NA	£212,483m in Y125
3	Rent and Cost Inflation	Reduction in rate of rent increase to CPI + 0.5% plus increase of 1% on cost inflation	2021 is the first year of the new Rent Policy. Rent increase has been fixed for 5 years at CPI (as at the Previous September) plus 1%.	HRA reserve is £428k which is below the prudent level in Y13 by £66k	No shortfall -WHQS maintained	£300,021m outstanding which is an increase of £297,387m	Scale back new build development programme and Environmental works & Regeneration	Reduce the number of proposed new builds in years 9 to 13 by 52 units per year and cease Environmental works between Years 8 and 13 saving £8,860m	HRA reserve set and maintained at a level that is deemed prudent.	NA	£263,714m in Y128
4	Rent	Increase in rent loss of 2% per annum	The roll-out of Universal Credit has created several problems for other authorities. The full financial impact for the Vale of Glamorgan is currently unknown.	HRA reserve is £474k which is below the prudent level in Y11 by £423k	No shortfall -WHQS maintained	£32,858m outstanding which is an increase of £30,224m	Reduce the amount of revenue contribution to capital outturn Y11	Reduce the revenue contribution (RCCO) by £423k in Y11 due to increased revenue costs relating to bad debt provision which is then funded by borrowing	HRA reserve set and maintained at a level that is deemed prudent.	NA	£179,941m in Y119
5	Grant	The annual Major Repairs Allowance (MRA) from WG ceases	The MRA grant is a key funding stream that ensures the Plan remains viable.	HRA reserve is £837k which is below the prudent level in Y11 by £54k	No shortfall -WHQS maintained	£145,347m outstanding which is an increase of £142,713m	Reduce the amount of revenue contribution to capital outturn Y11	Reduce the revenue contribution (RCCO) by £54k in Y11 due to increased revenue costs relating to interest costs for the additional borrowing to replace MRA	HRA reserve set and maintained at a level that is deemed prudent.	NA	£242,947m in Y120
6	Inflation	Inflation runs at 1% higher than anticipated (2.7%)	Uncertainties around Brexit make it difficult to forecast any changes to inflation.	HRA reserve set and maintained at a level that is deemed prudent.	No shortfall -WHQS maintained	£175,744m outstanding which is an increase of £173,109m	NA	NA	HRA reserve set and maintained at a level that is deemed prudent.	NA	£232,155m in Y112
7	Inflation	Inflation runs at 1% lower than anticipated (0.7%)	Uncertainties around Brexit make it difficult to forecast any changes to inflation.	HRA reserve set and maintained at a level that is deemed prudent.	No shortfall -WHQS maintained	£0 outstanding. Borrowing repaid in Year 26	NA	NA	HRA reserve set and maintained at a level that is deemed prudent.	NA	£153,481m in Y110
8	Interest Rates	Interest rate 0.5% higher than anticipated	Uncertainties around Brexit make it difficult to forecast any changes to interest rates.	HRA reserve is £764k which is below the prudent level in Y11 by £129k	No shortfall -WHQS maintained	£28,754m outstanding which is an increase of £26,120m.	Increase the revenue interest payments to match increase in rates	Reduce the revenue contribution (RCCO) by £129k in Y11 due to increased revenue costs relating to interest costs which is then funded by borrowing	HRA reserve set and maintained at a level that is deemed prudent.	NA	£178,389m in Y119
9	Mgr Costs	Management costs increase by 1% above inflation per annum.	The impact of Welfare Reform may result in increased management time and therefore costs in recovering rent arrears and debt management.	HRA reserve set and maintained at a level that is deemed prudent.	No shortfall -WHQS maintained	£48,970m outstanding which is an increase of £46,336m	NA	NA	HRA reserve set and maintained at a level that is deemed prudent.	NA	£179,860m in Y119
10	Repairs & Maintenance	The cost of repairs and maintenance and WHQS increase by 1% above inflation per annum.	Uncertainties around Brexit make it difficult to forecast any changes to inflation.	HRA reserve set and maintained at a level that is deemed prudent.	No shortfall -WHQS maintained	£132,027m outstanding which is an increase of £129,393m	NA	NA	HRA reserve set and maintained at a level that is deemed prudent.	NA	£212,428m in Y121.

Ref	Key Risk(s)	Rate of Change/(s) modelled	Description of risk and reason for inclusion	Post-mitigation		Does the plan become viable if the debt cap is removed?	Is the debt cap exceeded by more than 5%? (£108,909m)	What is the peak debt?	By how much is the debt cap exceeded? (£m)	Is the plan able to repay the borrowing by year 30?
				Residual Impact on Borrowing Capacity (value and timescale)	Residual Impact on HRA reserves (value and timescale)					
1	Rent	Reduction in rate of increase to CPI + 0.5%	1920 is a transitional year for the Rent Policy. The policy from 2021 onwards is unknown.	HRA reserve set and maintained at a level that is deemed prudent.	HRA reserve set and maintained at a level that is deemed prudent.	Yes	No	£3,175	No - £39.7m outstanding.	
2	Rent	Reduction to CPI only	1920 is a transitional year for the Rent Policy. The policy from 2021 onwards is unknown.	HRA reserve set and maintained at a level that is deemed prudent.	HRA reserve set and maintained at a level that is deemed prudent.	No	Yes	£48,360	No - £146m outstanding.	
3	Rent and Cost Inflation	Reduction in rate of rent increase to CPI + 0.5% plus increase of 1% on cost inflation	1920 is a transitional year for the Rent Policy. The policy from 2021 onwards is unknown.	HRA reserve set and maintained at a level that is deemed prudent.	HRA reserve set and maintained at a level that is deemed prudent.	No	Yes	£101,957	No - £205.7m outstanding.	
4	Rent	Increase in rent loss of 2% per annum	The roll-out of Universal Credit has created several problems for other authorities. The full financial impact for the Vale of Glamorgan is currently unknown.	HRA reserve set and maintained at a level that is deemed prudent.	HRA reserve set and maintained at a level that is deemed prudent.	Yes	No	£2,436	Yes - Year 28.	
5	Grant	The annual Major Repairs Allowance (MRA) from WG ceases	The MRA grant is a key funding stream that ensures the Plan remains viable.	HRA reserve set and maintained at a level that is deemed prudent.	HRA reserve set and maintained at a level that is deemed prudent.	No	Yes	£34,440	No - £65.3m outstanding.	
6	Inflation	Inflation runs at 1% higher than anticipated (3%)	Uncertainties around Brexit make it difficult to forecast any changes to inflation.	N/A	HRA reserve set and maintained at a level that is deemed prudent.	N/A	N/A	N/A	N/A	
7	Inflation	Inflation runs at 1% lower than anticipated (1%)	Uncertainties around Brexit make it difficult to forecast any changes to inflation.	N/A	HRA reserve set and maintained at a level that is deemed prudent.	N/A	N/A	N/A	N/A	
8	Interest Rates	Interest rate 0.5% higher than anticipated	Uncertainties around Brexit make it difficult to forecast any changes to interest rates.	N/A	HRA reserve set and maintained at a level that is deemed prudent.	N/A	N/A	N/A	N/A	
9	Mgt Costs	Management costs increase by 1% above inflation per annum.	The impact of Welfare Reform may result in increased management time and therefore costs in recovering rent arrears and debt management.	N/A	HRA reserve set and maintained at a level that is deemed prudent.	N/A	N/A	N/A	N/A	
10	Repairs & Maintenance	The cost of repairs and maintenance and WHQS increase by 1% above inflation per annum.	Uncertainties around Brexit make it difficult to forecast any changes to inflation.	HRA reserve set and maintained at a level that is deemed prudent.	HRA reserve set and maintained at a level that is deemed prudent.	Yes	No	£3,496	No - £44m outstanding.	

# Appendix I - Vale of Glamorgan Council – Performance Management Framework

