

# Pecyn Dogfen Gyhoeddus



Swyddog Cyswllt:  
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At: Cyng lan Dunbar (Cadeirydd)

Y Cynghorwyr: Sian Braun, Helen Brown, David Cox, Jean Davies, Ron Davies, Rosetta Dolphin, Mared Eastwood, Ray Hughes, Dennis Hutchinson, Brian Lloyd, Ted Palmer, Kevin Rush, Paul Shotton a David Wisinger

Dydd Iau, 16 Ionawr 2020

Annwyl Gynghorydd,

Fe'ch gwahoddir i fynychu cyfarfod Pwyllgor Trosolwg a Chraffu Cymunedau a Menter a fydd yn cael ei gynnal am 10.00 am Dydd Mercher, 22ain Ionawr, 2020 yn Ystafell Bwyllgor Delyn, Neuadd y Sir, Yr Wyddgrug CH7 6NA i ystyried yr eitemau canlynol

## R H A G L E N

### 1 YMDDIHEURIADAU

**Pwrpas:** I dderbyn unrhyw ymddiheuriadau.

### 2 DATGAN CYSYLLTIAD (GAN GYNNWYS DATGANIADAU CHWIPIO)

**Pwrpas:** I dderbyn unrhyw ddatganiad o gysylltiad a chynghori'r Aelodau yn unol a hynny.

### 3 COFNODION (Tudalennau 3 - 8)

**Pwrpas:** I gadarnhau, fel cofnod cywir gofnodion y cyfarfodydd ar 18 Rhagfyr 2019.

### 4 RHAGLEN GWAITH I'R DYFODOL A OLRHAIN GWEITHRED (Tudalennau 9 - 18)

Adroddiad Hwylusydd Arolygu a Chraffu Cymunedau a Menter

**Pwrpas:** I Ystyried y flaenraglen waith Pwyllgor Trosolwg & Chraffu Cymunedau a Menter a rhoi gwybodaeth i'r Pwyllgor o'r cynnydd yn erbyn camau gweithredu o'r cyfarfod blaenorol.

5 **CYNLLUN BUSNES ARIANNOL 30 MLYNEDD Y CYFRIF REFENIW TAI**  
(Tudalennau 19 - 70)

Adroddiad Prif Swyddog (Tai ac Asedau) - Aelod Cabinet dros Dai

**Pwrpas:** I ystyried cyllideb arfaethedig y Cyfrif Refeniw Tai ar gyfer 2020/21, Cynllun Busnes y Cyfrif Refeniw Tai a chrynodeb o'r Cynllun Busnes Ariannol 30 Mlynedd.

6 **DIWEDDARIAD AM DDIWYGIO'R GYFUNDREFN LES** (Tudalennau 71 - 82)

Adroddiad Prif Swyddog (Tai ac Asedau) - Aelod Cabinet dros Reolaeth Gorfforaethol ac Asedau

**Pwrpas:** I roi diweddariad ar effaith Diwygio'r Gyfundrefn Les ar breswylwyr Sir y Fflint.

7 **INCWM RHENT TAI** (Tudalennau 83 - 88)

Adroddiad Prif Swyddog (Tai ac Asedau) - Aelod Cabinet dros Dai

**Pwrpas:** I ddarparu diweddariad gweithredol ar gasglu rhent a lefelau ôl-ddyledion presennol.

Yn gywir



Robert Robins  
Rheolwr Gwasanaethau Democraidaidd

# Eitem ar gyfer y Rhaglen 3

## **COMMUNITY AND ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE** **18 DECEMBER 2019**

Minutes of the meeting of the Community and Enterprise Overview & Scrutiny Committee of Flintshire County Council held at County Hall, Mold on Wednesday, 18 December 2019

### **PRESENT: Councillor Ian Dunbar (Chairman)**

Councillors: David Cox, Rosetta Dolphin, Mared Eastwood, Dennis Hutchinson, Ted Palmer, Kevin Rush, Paul Shotton and David Wisinger

**SUBSTITUTES:** Councillors: Bernie Attridge (for Helen Brown) and Patrick Heesom (for Brian Lloyd)

**APOLOGIES:** Councillors: Jean Davies and Ray Hughes

**CONTRIBUTORS:** Councillor Dave Hughes, Cabinet Member for Housing; Councillor Derek Butler, Cabinet Member for Economic Development; Councillor Chris Bithell, Cabinet Member for Planning and Public Protection; and Enterprise and Regeneration Manager

Chief Officer (Housing and Assets) and Homeless and Advice Manager - for minute number 32

**IN ATTENDANCE:** Community & Enterprise Overview & Scrutiny Facilitator and Democratic Services Officer

### **29. DECLARATIONS OF INTEREST**

None.

### **30. MINUTES**

The minutes of the meetings held on 6 and 22 November 2019 were received.

Minute number 22 (6 November 2019): Private Sector Home Improvement Loans - Councillor Shotton referred to his comments on the converted building in Connah's Quay and asked officers to thank Jeff Williams for allowing him the opportunity to view the apartments which were now under offer. He moved approval of the minutes and was seconded by Councillor Dolphin.

### **RESOLVED:**

That both sets of minutes be approved as a correct record and signed by the Chairman.

### **31. FORWARD WORK PROGRAMME AND ACTION TRACKING**

The Facilitator presented the latest Forward Work Programme on which there were no changes. On Action Tracking, the majority of actions arising from previous meetings had been completed.

The recommendations were moved by Councillor Attridge and seconded by Councillor Palmer.

#### **RESOLVED:**

- (a) That the Forward Work Programme be noted;
- (b) That the Facilitator, in consultation with the Chairman of the Committee, be authorised to vary the Forward Work Programme between meetings, as the need arises; and
- (c) That the progress made in completing the outstanding actions be noted.

### **32. ROUGH SLEEPERS BRIEFING PAPER**

The Chief Officer (Housing and Assets) presented a report on priority actions being taken to tackle and prevent homelessness across Flintshire as set out in the Council's Local Homelessness Action Plan which was based on the three main themes of the Regional Homelessness Strategy. The report focussed on the 'People' theme and its priority of rough sleepers.

It was acknowledged that rough sleeping was no longer confined to major towns and cities as it was extending into other areas such as communities in Flintshire. There were a number of contributing factors, often involving complex long-term issues, requiring a multi-agency response including the Drug & Alcohol team, Housing and Welfare teams. Following the withdrawal of emergency bed provision by the service provider in Flintshire, an alternative temporary facility had been identified in Shotton to accommodate the night shelter service. With the recruitment process underway, it was hoped that the new service would be available from January for a period of 18 months to two years until permanent accommodation could be found.

The Chief Officer spoke about the range of positive initiatives delivered through the Local Action Plan such as promotion of the Streetlink app. The report detailed the various reasons for homelessness with a large percentage due to parents no longer willing or able to accommodate the individual. The team had recently engaged with four individuals who were found to be sleeping rough but recognised that there were more out there including 'sofa surfers'. The recruitment process was underway for the Housing First service which was an effective model in engaging and provide wraparound support to rough sleepers with multiple complex needs.

In thanking officers for the comprehensive report, the Chairman welcomed the Housing First pilot and said that the Council should be commended for its approach to tackling homelessness.

Councillor Attridge thanked the officers and Cabinet Member for the report and the actions being taken by the Council. He said it was disappointing that the Council's strategic partner had removed the emergency bed provision at short notice and that housing associations could do more to address homelessness in Flintshire. In response to questions, the Chief Officer spoke about developing the multi-agency approach into an effective model to help get people off the streets. The night shelter service provider was keen to develop and train volunteers and would be working with various organisations such as Help the Homeless. The Homeless and Advice Manager said that establishing links with volunteers, including members of the public, would provide a network of support to help those in need.

Councillor Dolphin referred to discussions on the development of the North Wales Safeguarding Board and suggested a joint meeting with the Social and Health Care Overview & Scrutiny Committee to explore the subject in more depth.

The Committee supported the Facilitator's suggestion for an update in six months' time to review the impact of actions and that Social and Health Care Overview & Scrutiny Committee Members be invited. The Chief Officer said that the service worked alongside Social Services on the safeguarding process and that the update report would explore the complexities in legally establishing self-neglect. He gave assurance that rough sleepers refusing to engage with the Council would not be written off and that the team would continue their efforts, as demonstrated by a recent long-term case in Buckley.

Whilst thanking officers for visiting Holywell Town Council, Councillor Palmer welcomed the positive actions and encouraged even more focus on those refusing to engage.

Councillor Shotton expressed concerns about the number of rough sleepers aged 18-24 who could not be accommodated by their parents.

Councillor Butler praised the Council's response to tackling homelessness which was a serious national problem. He thanked the Chief Officer and Manager, along with the Chief Officer (Social Services) for the time that they had spent at the shelter, outside working hours, helping people in need.

Whilst Councillor Heesom complimented the team on their work, he spoke about the need for wider investment and establishing links with partner agencies to work with individuals on activities which could make a real difference to their lives. The officers said that the importance of early intervention had been recognised and that raising awareness of experiences leading to homelessness, particularly in schools, helped young people to understand those challenges.

In response to a query by Councillor Attridge on homelessness levels in Flintshire, the Chief Officer said that although numbers had increased, these were relatively low in comparison with other areas such as Rhyl, Liverpool and Manchester. This was endorsed by Councillor Hughes who said that numbers were lower than Wrexham and Chester. He said that even one rough sleeper was too many and that the Council would continue its efforts to help those in need.

Councillor Bithell said that whilst homelessness today was upsetting, it had been evident for many years. In welcoming the various initiatives, he said it was inevitable that some individuals may choose not to accept help.

The Chairman allowed Mr. John Ennis, who was present in the public gallery, to speak. Mr. Ennis referred to the importance of adequate funding to tackle homelessness and reduce the housing waiting list. In response to comments on decarbonisation, the Chief Officer said that this was an area of focus by the Welsh Government to reduce energy bills and tackle fuel poverty which could lead to homelessness.

The recommendations, which were amended to reflect the debate, were moved by Councillor Palmer and seconded by Councillor Dolphin.

#### **RESOLVED:**

- (a) That the Committee welcomes the report and the work being undertaken with multi-agencies to meet the challenges for rough sleepers; and
- (b) That the thanks of the Committee be passed to all the Homelessness team for the work being undertaken to meet the challenges for all people presenting as homeless.

### **33. TOURISM UPDATE**

The Enterprise and Regeneration Manager presented a report on the main areas of work undertaken by the Business Development team to support the tourism sector. The contribution to Flintshire's economy in 2018 had risen by 6.5% from the previous year which was the largest increase recorded in North Wales.

Support for the tourism sector was delivered by the Business Development team which included a dedicated Tourism Officer. The report set out the collaborative approach with other authorities to promote tourism across North Wales through various initiatives. The Destination Management partnership involved a co-ordinated action plan to increase footfall and improve visitor experience.

During the debate, a number of local points of interest were highlighted by Councillor Shotton whilst Councillor Cox suggested exploring links to outside events such as the Llangollen Eisteddfod.

Councillor Dolphin asked about the marketing of local events to encourage visitors from outside Flintshire.

In welcoming the contribution to the economy, Councillor Heesom spoke about the need to invest in local transport infrastructure along the A55 and also to address the oil and gas terminal at Talacre.

In response, the Enterprise and Regeneration Manager said that the team maintained an active social media presence and signposted local campaigns, for example the recent Mold Christmas Market which had generated significant online interest. On Councillor Heesom's point, he said that whilst the team focussed on businesses, the work of the Economic Ambition Board and Welsh Government recognised the need for improvements.

On the infrastructure issue, Councillor Butler said that cross-border connectivity was being progressed through the Mersey Dee Alliance. In recognising the demographics in Flintshire, he spoke about the benefits of sharing resources across the region and commended the initiatives taking place with limited resources.

Following remarks by Councillor Palmer, the Enterprise and Regeneration Manager said that there had been a long history of promoting Holywell as an important historical destination.

Councillor Hutchinson referred to the negative impact of conditions and train delays at Bidston station. Councillor Butler gave assurance that representations had been made on improving the journey to and from Liverpool which would benefit the economy.

The recommendation was moved by Councillor Shotton and seconded by Councillor Cox.

**RESOLVED:**

That the progress made in supporting the tourism sector in Flintshire be noted.

**34. DOMESTIC ENERGY PROGRAMMES**

Councillor Bithell introduced a report summarising the approaches taken by the Council's Domestic Energy Efficiency Programme team to reduce fuel poverty and improve the quality of life for residents in Flintshire. Fuel poverty was recognised as a national and local issue, as prioritised in the Council Plan, and was more likely to affect those living in less energy efficient properties.

There was a significant challenge in reducing fuel poverty due to the number of older properties in Wales which were expensive to make more fuel efficient. Over the past five years, the Domestic Energy Efficiency Programme team - comprising five employees - had been successful in installing 4,600 energy efficiency measures in 4,000 households.

The Enterprise and Regeneration Manager provided an overview of the main programmes of work including the introduction of WG home loans towards new heating systems for fuel-poor households. He explained that the team worked with individuals from all property tenures to help access funding which was complex. Members were encouraged to raise awareness of the services of the team.

The Chairman gave an example where the team had provided help to an initially reluctant resident which had generated a positive outcome. During the discussion, other Members gave similar examples of residents who had benefitted from the support of the team and thanked them for their services.

In highlighting the importance of sharing information on tackling fuel poverty, Councillor Heesom asked that the report be shared with Cabinet and an update brought back to the Committee in six months' time.

Councillor Dolphin referred to previous reports received on the subject. The officer agreed to respond separately to her specific question about a pre-paid electric meter.

In response to queries, the Enterprise and Regeneration Manager clarified the funding arrangements for the service as set out in the report. He referred to the Council investing in energy efficient measures for its own housing stock and work being undertaken with Clwyd Alyn Housing Association.

The recommendations, which were amended to reflect the debate, were moved by Councillor Heesom and seconded by Councillor Attridge.

**RESOLVED:**

- (a) That the progress made in delivering domestic energy efficiency programmes to support fuel-poor households in Flintshire be noted; and
- (b) That the report be recommended to Cabinet in order to highlight the positive action being taken by the Council to reduce fuel poverty and improve the quality of life of residents.

**35. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE**

There was one member of the public in attendance.

(The meeting started at 10am and ended at 11.50am)

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**Chairman**



# Eitem ar gyfer y Rhaglen 4



## COMMUNITY & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Wednesday 22 <sup>nd</sup> January, 2020
<b>Report Subject</b>	Forward Work Programme and Action Tracking
<b>Cabinet Member</b>	Not applicable
<b>Report Author</b>	Community & Enterprise Overview & Scrutiny Facilitator
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work programme of the Committee of which they are Members. By reviewing and prioritising the Forward Work Programme Members are able to ensure it is Member-led and includes the right issues. A copy of the Forward Work Programme is attached at Appendix 1 for Members' consideration which has been updated following the last meeting.

The Committee is asked to consider, and amend where necessary, the Forward Work Programme for the Community & Enterprise Overview & Scrutiny Committee.

The report also shows actions arising from previous meetings of the Community & Enterprise Overview & Scrutiny Committee and the progress made in completing them. Any outstanding actions will be continued to be reported to the Committee as shown in Appendix 2.

### RECOMMENDATION

1	That the Committee considers the draft Forward Work Programme and approve/amend as necessary.
2	That the Facilitator, in consultation with the Chair of the Committee be authorised to vary the Forward Work Programme between meetings, as the need arises.
3	That the Committee notes the progress made in completing the outstanding actions.

## **REPORT DETAILS**

<b>1.00</b>	<b>EXPLAINING THE FORWARD WORK PROGRAMME AND ACTION TRACKING</b>
1.01	Items feed into a Committee's Forward Work Programme from a number of sources. Members can suggest topics for review by Overview & Scrutiny Committees, members of the public can suggest topics, items can be referred by the Cabinet for consultation purposes, or by County Council or Chief Officers. Other possible items are identified from the Cabinet Work Programme and the Improvement Plan.
1.02	<p>In identifying topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:</p> <ol style="list-style-type: none"><li>1. Will the review contribute to the Council's priorities and/or objectives?</li><li>2. Is it an area of major change or risk?</li><li>3. Are there issues of concern in performance?</li><li>4. Is there new Government guidance of legislation?</li><li>5. Is it prompted by the work carried out by Regulators/Internal Audit?</li></ol>
1.03	In previous meetings, requests for information, reports or actions have been made. These have been summarised as action points. Following a meeting of the Corporate Resources Overview & Scrutiny Committee in July 2018, it was recognised that there was a need to formalise such reporting back to Overview & Scrutiny Committees, as 'Matters Arising' was not an item which can feature on an agenda.
1.04	It was suggested that the 'Action tracking' approach be trialled for the Corporate Resources Overview & Scrutiny Committee. Following a successful trial, it was agreed to extend the approach to all Overview & Scrutiny Committees.
1.05	The Action Tracking details including an update on progress is attached at Appendix 2.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	None as a result of this report.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	In some cases, action owners have been contacted to provide an update on their actions.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
4.01	None as a result of this report.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix 1 – Draft Forward Work Programme  Appendix 2 – Action Tracking for the Community & Enterprise OSC.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	Minutes of previous meetings of the Committee as identified in Appendix 2.  <b>Contact Officer:</b> Ceri Shotton Overview & Scrutiny Facilitator <b>Telephone:</b> 01352 702305 <b>E-mail:</b> <a href="mailto:ceri.shotton@flintshire.gov.uk">ceri.shotton@flintshire.gov.uk</a>

<b>7.00</b>	<b>GLOSSARY OF TERMS</b>
7.01	<b>Improvement Plan:</b> the document which sets out the annual priorities of the Council. It is a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan.

Mae'r dudalen hon yn wag yn bwrpasol

**CURRENT FWP**

Date of meeting	Subject	Purpose of Report	Scrutiny Focus	Report Author	Submission Deadline
<b>Wednesday 11<sup>th</sup> March 2020 10.00 a.m.</b>  Tudalen 13	<b>Quarter 3 Council Plan 2019/20 Monitoring Report</b>  <b>North Wales Economic Growth Deal</b>  <b>Tenants' Right of Succession</b>  <b>Flintshire in Business</b>  <b>Town Centre Regeneration</b>	To enable Members to fulfil their role in relation to performance monitoring.  To provide an update report on the North Wales Economic Ambition Board  To consider the current Policy for Council Tenants' Right of Succession  To provide information on the Flintshire Business Week 2019  To provide an update on the approach previously agreed to regenerate Town Centres in the County.	Assurance Monitoring  Information Sharing  Information Sharing  Information Sharing  Assurance Monitoring	Overview & Scrutiny Facilitator  Chief Executive  Housing Manager  Service Manager – Enterprise and Regeneration  Service Manager – Enterprise and Regeneration	
<b>Wednesday 29<sup>th</sup> April 2020 10.00 a.m.</b>	<b>Tenancy Enforcement</b>	To share information on the work of the Housing Team in dealing with Anti-Social Behaviour and Tenancy Enforcement	Information Sharing	Housing Manager	

Tudalen 14	<b>Rough Sleepers</b>	To provide an update on the Council's Policy in assisting Rough Sleepers in Flintshire.	Assurance Monitoring	Homeless and Advice Team Manager	
	<b>Employability Programmes</b>	To provide information on the Employability Programmes available.	Information Sharing	Service Manager – Enterprise and Regeneration	
	<b>Community Benefit</b>	To provide information on the Community Benefit being delivered through the SHARP Programme.	Information Sharing	Housing Strategy Manager Angie Eardley and Keith Harris – Wates	
	<b>Bollingbroke Heights</b>	To provide the findings of the incident at Bollingbrooke Heights in October 2019	Assurance Monitoring	Chief Officer (Housing & Assets)	
<b>Wednesday 17<sup>th</sup> June 2020 10.00 a.m.</b>	<b>Year-end Council Plan 2019/20 Monitoring Report</b>	To enable Members to fulfil their role in relation to performance monitoring	Assurance Monitoring	Overview & Scrutiny Facilitator	
	<b>Welfare Reform Update – Universal Credit Roll Out</b>	To provide an update on the impact of Welfare Reform on Flintshire residents	Assurance Monitoring	Benefits Manager	
	<b>Update on Housing Rent Income</b>	To provide an update on current Rent Arrears	Assurance Monitoring	Revenues Manager	

	<b>Domestic Energy Programmes</b>	To provide an update on the Domestic Energy Programmes	Information Sharing	Service Manager – Enterprise and Regeneration	
	<b>NEW Homes Board</b>	To update the Committee on the work of the NEW Homes Board	Assurance Monitoring	Housing Strategy Manager	

**Items to be scheduled**

- Regeneration of Existing Stock – report to be brought to a future meeting of the Committee when appropriate, as suggested during consideration of the HRA Capital Programme 2020/21 report on 6<sup>th</sup> November, 2019

**REGULAR ITEMS**

Month	Item	Purpose of Report	Responsible / Contact Officer
<b>Quarterly / Annual</b>	<b>Performance Reporting</b>	To consider performance outturns for improvement targets against directorate indicators.	Chief Officer (Housing and Assets)  Chief Officer (Planning, Environment and Economy)
<b>Six monthly</b>	<b>Welfare Reform Update – including Universal Credit</b>	To update Members on the impact of Welfare Reform and the cost to the Council.	Benefits Manager
<b>Six monthly</b>	<b>Update on North East Wales Homes &amp; Property Management</b>	To update Members on the work of the North East Wales Homes & Property Management	Housing Strategy Manager
<b>Annually – September</b>	<b>WHQS Capital Programme – Delivery review update</b>	To provide an update on progress of the Welsh Housing Quality Standards (WHQS), that the Council is delivering through its Capital Investment Programme. Report to include information around the use of local labour and number of apprentices and school leavers.	Chief Officer (Housing and Assets)
<b>Quarterly</b>	<b>Update on Housing Rent Income</b>	To provide an update on rent collection and current arrear levels	Revenues Manager



**ACTION TRACKING FOR THE COMMUNITY & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE**

Meeting Date	Agenda item	Action Required	Action Officer(s)	Action taken	Timescale
18.12.2019	5. Rough Sleepers Briefing Paper	The Committee agreed with the suggestion that an update report be presented to a joint Committee meeting with the Social & Health Care OSC in six months' time.	Ceri Shotton	Joint meeting with Social & Health Care OSC arranged for 10am on 17.06.2020 prior to the ordinary Committee meeting.	Completed
18.12.2019	5. Rough Sleepers Briefing Paper	That the thanks of the Committee be passed to all the Homelessness Team workforce for the work being undertaken to meet the challenges for all people presenting as homeless.	Jenni Griffiths	Jenni Griffiths confirmed that the thanks of the Committee had been passed to the Homelessness Team.	Completed
18.12.2019	7. Domestic Energy Programmes	The Committee agreed with a suggestion that an update report be submitted to a Committee meeting in six months' time.	Ceri Shotton	Report added to FWP for 17 <sup>th</sup> June 2020 meeting.	Completed
18.12.2019	7. Domestic Energy Programmes	Cllr Bernie Attridge asked that the thanks of the Committee be passed to the Domestic Energy Efficiency Programme Team for the work being undertaken.	Niall Waller	Niall Waller confirmed that he had passed on the thanks of the Committee to the Domestic Energy Efficiency Programme Team.	Completed

## ACTION TRACKING

## APPENDIX 2

18.12.2019	7. Domestic Energy Programmes	That the report be recommended to Cabinet in order to highlight the positive action being taken by the Council to reduce fuel poverty and improve the quality of life of residents.	Ceri Shotton / Niall Waller	Report scheduled to be submitted to Cabinet on 18 February 2020.	On-going
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# Eitem ar gyfer y Rhaglen 5



## COMMUNITY & ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Wednesday 22 <sup>nd</sup> January 2020
<b>Report Subject</b>	Housing Revenue Account (HRA) 30 Year Financial Business Plan
<b>Cabinet Member</b>	Cabinet Member for Housing
<b>Report Author</b>	Finance Manager Housing and Commercial Services
<b>Type of Report</b>	Strategic

### EXECUTIVE SUMMARY

The purpose of this report is to present for consideration the draft HRA 30 year Financial Business Plan and the proposed HRA Budget for 2020/21.

### RECOMMENDATIONS

1	That Scrutiny consider the HRA budget for 2020/21 as set out in the attached appendices.
2	Approve the proposed rent increase of up to 1.7% (plus up to £2).
3	That Scrutiny consider a garage rent increase of £1.22 per week and a garage plot increase of £0.20 per week.
4	That Scrutiny consider the phased increase in Service Charges recovery.
5	That Scrutiny consider the rationale behind an increased level of reserves to 4%.
6	Consider the proposed HRA Capital programme for 2020/21 as set out in Appendix B.

## REPORT DETAILS

<b>1.00</b>	<b>EXPLAINING THE HRA BUSINESS PLAN 2020/21 UPDATE</b>
1.01	<p><b>Considerations</b></p> <p>The HRA is required to produce a 30 year business plan.</p> <p>The strategic context for this year's HRA budget setting includes the following:</p> <ul style="list-style-type: none"><li>• The need to ensure the treasury management strategy continues to meet the Housing Revenue Account's new and ongoing borrowing requirements;</li><li>• Delivers a prudent plan for income maximisation;</li><li>• Setting a balanced budget with a minimum of 3% surplus revenue over expenditure;</li><li>• Continued drive to ensure all service costs are efficient and that value for money can be achieved;</li><li>• Maximisation of revenue efficiencies to minimise the borrowing required to meet Welsh Housing Quality Standards (WHQS) by 2020;</li><li>• Delivery of new build Council housing.</li><li>• Provision of adequate ongoing capital to maintain WHQS levels.</li></ul>
1.02	<p><b>Borrowing</b></p> <p>The deed to terminate the voluntary agreement for the HRA borrowing cap was signed on the 2nd December 2019, it is therefore important that going forward, increased borrowing in the HRA is carefully managed and monitored to ensure that it is sustainable and affordable to the business plan. Work will be undertaken to develop a set of treasury KPI's for the HRA to enable transparent monitoring of this going forward.</p> <p>The total level of HRA prudential borrowing as at 31<sup>st</sup> March 2021 is anticipated to be £147.869m.</p> <p>All prudential borrowing is repaid at 2% per year in line with the HRA's Minimum Revenue Provision (MRP).</p> <p>The HRA is part of the single debt pool for the Council, all borrowing for the Council is managed within one pool and the average borrowing rate for the Council is applied to all new borrowing in the HRA. The rate assumed in the Business plan is 4.3%.</p>
1.03	<p><b>Rents</b></p> <p>On 18th December 2019, Welsh Government released the Minister for Housing and Regeneration's decision around the Welsh Government Rent Policy for commencement in 2020/21.</p>

This Rent Policy has been set for 5 years and it has been made clear that the rent policy settlement is a maximum amount which can be charged and landlords should consider value for money (as an annual assessment of cost efficiencies) alongside affordability for tenants (taking into account the whole cost of living in a property) as part of their rationale for setting rents.

The Rent Policy for Social Housing Rents from 2020/21 sets out the following:

- An annual rent uplift of up to CPI+1%, for 5 years to 2024/25 using the level of CPI from the previous September each year. September 2019 was 1.7%.
- The level of rents for individual tenants can be reduced, frozen or rise by up to an additional £2 over and above CPI+1%, on condition that total rental income collected by the social landlord increases by no more than CPI+1% (2.7%).

The new average rent band proposed by Welsh Government is shown in the table below. A maximum uplift of 2.7% (CPI plus 1%) would take the average rent paid in 2020/21 to £96.57 which is just above the low end of the target rent band.

	2020/21 Target Rent Band		
Average Rent	Low End	Mid-Point	High End
Flintshire	£ 95.82	£ 100.87	£ 105.91

The previous Rent policy enabled the Council to apply rent inflation plus £2 per annum for any tenants paying under the target rent band for their property. Flintshire currently have just over half its properties under the target rent band as shown in Appendix A.

Appendix A also shows that the majority of tenants currently paying under target rent are those in 3 bed houses and bungalows (not subject to service charges) and those in smaller properties and flats are generally at target rent (higher proportion subject to service charges).

The new rent policy asks for affordability for all tenants to be taken into account when setting rents though it is also important for the Council to maximise rental income in order to invest in new homes and regenerate existing stock. With this in mind, it is recommended to utilise the flexibility given in the rent policy around setting the level of rents for individual tenants, to bring affordability into line for all tenants.

The recommended option would be to apply an overall uplift of 1.7% to all tenants and, in addition, apply the transitional uplift of £2 to tenants who are currently under target rent. This ensures that no individual tenant will pay more than the maximum allowed under the policy but moves towards

	<p>readdressing the disparity between those rents under and those at target rent and seeks to make rent charges to all tenants more equitable.</p> <p>The effect of this will be a lower inflationary increase for tenants who are already paying target rent and should help offset the additional impact of any service charge increases. Tenants currently paying under target rent will see an uplift of 1.7% plus £2 which will take their increase up to circa 2.7%.</p>																														
1.04	<p><b>Garage Rents</b></p> <p>The proposed garage rent increase for 2020/21 is £1.22 per week which takes the garage rent per week to £9.83 (based on 52 weeks), the proposed garage plot increase is £0.20 per week taking the garage plot rent to £1.60 per week.</p> <p>The business plan anticipates £0.529m in income for garages, however the garage review is ongoing and therefore this figure may be adjusted accordingly.</p>																														
1.05	<p><b>Service Charges</b></p> <p>The rent and service charges policy was introduced in 2015 and expected all Local Housing Associations (LHA's) to be achieving full cost recovery for service charges, if this had not yet been achieved a clear transition plan should be identified to achieve this.</p> <p>At 2019/20 the Council was at 70% service charge recovery for implemented charges, it is recommended that the increase in service charges to take the HRA to full cost recovery should be stepped over the next 2 years (2020/21 and 2021/22). Based on this proposal, the revised charges for 2020/21 would be:</p> <table border="1"> <thead> <tr> <th>Charge</th> <th>19/20 Charge</th> <th>20/21 Charge</th> <th>Increase</th> <th>Total income</th> </tr> </thead> <tbody> <tr> <td>Aerials</td> <td>£ 1.20</td> <td>£ 1.55</td> <td>£ 0.35</td> <td>£130,950</td> </tr> <tr> <td>Cleaning</td> <td>£ 3.77</td> <td>£ 4.60</td> <td>£ 0.83</td> <td>£174,018</td> </tr> <tr> <td>Laundry</td> <td>£ 0.72</td> <td>£ 0.79</td> <td>£ 0.07</td> <td>£29,424</td> </tr> <tr> <td>Window Cleaning</td> <td>£ 0.47</td> <td>£ 0.75</td> <td>£ 0.28</td> <td>£17,075</td> </tr> <tr> <td><b>Totals</b></td> <td><b>£ 6.16</b></td> <td><b>£ 7.69</b></td> <td><b>£ 1.53</b></td> <td><b>£351,466</b></td> </tr> </tbody> </table> <p>As the above table indicates, the maximum increase that any one property would receive in 2020/21 would be £1.53 per week, if they were subject to all four service charges.</p>	Charge	19/20 Charge	20/21 Charge	Increase	Total income	Aerials	£ 1.20	£ 1.55	£ 0.35	£130,950	Cleaning	£ 3.77	£ 4.60	£ 0.83	£174,018	Laundry	£ 0.72	£ 0.79	£ 0.07	£29,424	Window Cleaning	£ 0.47	£ 0.75	£ 0.28	£17,075	<b>Totals</b>	<b>£ 6.16</b>	<b>£ 7.69</b>	<b>£ 1.53</b>	<b>£351,466</b>
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1.06	<p><b>Capital Programme</b></p> <p>The total proposed capital programme for 2020/21 is £30.464m. Which includes the following:-</p> <p>£19.293m has been built into the WHQS and Asset investment programme for 2020/21. This includes provision for internal work streams, external</p>																														

enveloping works, environmental programmes, fire risks and Disability Discrimination Act (DDA) works, asbestos, off gas and energy efficiency works. Cabinet has approved the asset investment plan to achieve the WHQS by 2020 and the budget set will ensure that the council is still on track to meet its commitment to achieve the standard. The 2020/21 Capital Programme proposals are summarised in Appendix C.

In addition, £11.171m has been built into 2020/21 for Council housing Batches 3 & 4 building schemes, which will increase the housing stock by 177 properties:

<b>Asset Investment Budget Breakdown</b>	<b>£m</b>
Batch 3	0.524
Batch 4	10.647
<b>Total</b>	<b>11.171</b>

The long term business plan assumes that post WHQS the major repairs allowance (MRA) will be used to fund decarbonisation of the Council's Housing stock in line with Welsh Government Policy and that these are new and additional costs to the HRA capital programme.

The Business Plan also assumes a programme of stock regeneration works from 2021/22, onwards.

#### 1.07 **Capital Funding**

The £30.464m capital programme will be funded by:-

<b>WHQS &amp; Asset Investment Funding</b>	<b>£m</b>
Revenue Contribution (CERA)	12.653
Major Repairs Allowance	5.065
Energy Efficiency	0.275
Prudential Borrowing	1.300
<b>Total</b>	<b>19.293</b>

<b>New Build Funding</b>	<b>£m</b>
Prudential Borrowing	9.455
Capital Receipts	1.716
<b>Total</b>	<b>11.171</b>

#### 1.07 **Reserves**

There is a requirement to hold a minimum level of reserves of 3% of expenditure. The 2019/20 Business Plan was based on a reserves level of 3%, however, as the level of financial risk in the HRA is rising due to increased borrowing levels for new build it is recommended that the HRA moves to 4% as a reserve level.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	The HRA is a ring fenced budget. This HRA budget and Business Plan demonstrates that the council can achieve the WHQS by 2020, can meet service improvement plans and commitments and with prudential borrowing can continue its Council house building programme in 2020.

<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>
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3.01	All households will benefit from the Councils WHQS programme. The impact of the investment planning and efficiencies is being modelled for various customer groups to ensure that there is no disproportionate impact on any groups with protected characteristics.
3.02	The Business Plan assumes a confirmation of Major Repairs Allowance (MRA) for 2020/21 and beyond, however, Welsh Government have indicated that the purpose of the funding will be reviewed in the future.
3.03	The potential impact of BREXIT on interest rates and inflation has been mitigated by increasing the estimated assumptions included in the business plan.

3.04	<b>Ways of Working (Sustainable Development) Principles Impact</b>	
	Long-term	Positive – There is a commitment to increase supply to provide the right types of homes in the right location.
	Prevention	Positive – It is our aim to provide support to ensure people live and remain in the right type of home.
	Integration	Positive - Achieving WHQS for all existing council houses and delivering new social housing will contribute to the integration within communities.
	Collaboration	Positive - To deliver in partnership with stakeholders to support positive impacts for all our tenants.
	Involvement	Positive - Communication with tenants, Members and other stakeholders.
	<b>Well-being Goals Impact</b>	
	Prosperous Wales	Positive – Existing social homes are WHQS compliant and meet the changing housing needs. Also Providing good quality new social homes.
	Resilient Wales	Positive – Developing low / zero carbon homes through modern methods of construction and technologies. Ensuring



		that all statutory compliance requirements are adhered to.
	Healthier Wales	Positive – Ensuring all existing homes and new homes are fit for purpose and meet the needs of all people.
	More equal Wales	Positive - Provide good quality homes for the most vulnerable people in society.
	Cohesive Wales	Positive – Contributing to attractive, viable and safe communities
	Vibrant Wales	Positive – Ensuring all communities housing needs are supported
	Globally responsible Wales	Positive – The HRA Business Plan will contribute to the improvement of the economic, social, environmental and cultural wellbeing of Wales.

<b>4.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
4.01	Detailed consultation has been undertaken with tenants and elected members to inform the preparation of the WHQS investment programme.
4.02	Full local consultation is carried out for each new build scheme.

<b>5.00</b>	<b>APPENDICES</b>
5.01	Appendix A – Summary HRA Rent Charges 2020/21.
5.02	Appendix B – Draft 30 Year HRA Financial Business Plan Summary.
5.03	Appendix C – Draft Capital Programme 2020/21.
5.04	Appendix D – Draft Pressures and Efficiencies 2020/21.
5.05	Appendix E – HRA Account Narrative

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	None.

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<b>Contact Officer:</b> Neal Cockerton, Chief Officer (Housing & Assets) <b>Telephone:</b> 01352 702500 <b>E-mail:</b> <a href="mailto:neal.cockerton@flintshire.gov.uk">neal.cockerton@flintshire.gov.uk</a>

8.00	<b>GLOSSARY OF TERMS</b>
8.01	<p><b>Financial Year:</b> the period of 12 months commencing on 1 April 2020</p> <p><b>Revenue:</b> a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p><b>Capital expenditure:</b> money spent by the organisation on acquiring or maintaining fixed assets, such as land, buildings, and equipment.</p> <p><b>Budget:</b> a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p><b>Treasury Management:</b> the Council has adopted the Chartered Institute of Public Finance Accountants (CIPFA) Treasury Management in the Public Services: Code of Practice. Treasury Management is conducted in accordance with the Council's Treasury Management Policy and Strategy Statement and Treasury Management Practices which are both reviewed annually. All borrowing and long term financing is made in accordance with CIPFA's Prudential Code.</p> <p><b>Major Repairs Allowance:</b> Welsh Government grant paid to local authorities in Wales who still manage and maintain their council housing.</p>

APPENDIX A

HRA Rents		No.		
Property Type	No. of Properties	Equal to / above Target Rent	Below Target Rent	
G1Bedsit	22	22	0	
G1bungalow	12	4	8	
G1Flat	160	156	4	
GNB1Apartment	6	6	0	
G1House	2	0	2	
G2Bungalow	3	1	2	
GNB2Bungalow	4	4	0	
G2Flat	307	290	17	
GNB2Apartment	8	7	1	
G2House	704	319	385	
GNB2House	68	57	11	
G2Maisonette	9	9	0	
G3Bungalow	4	3	1	
G3Flat	35	24	11	
G3Maisonette	1	1	0	
G3House	3,124	832	2,292	
GNB3House	28	23	5	
G4House	132	32	100	
G5House	4	2	2	
G6House	5	5	0	
M1Mini Group Bungalow	299	179	120	
M1Mini Group Flat	115	115	0	
M2Mini Group Bungalow	94	56	38	
M2Mini Group Flat	24	23	1	
M3Mini Group Bungalow	1	1	0	
S1Sheltered Bedsit	64	64	0	
S1Sheltered Bungalow	849	532	317	
S1Sheltered Flat	322	322	0	
S1Sheltered House	1	1	0	
S2Sheltered Bungalow	511	167	344	
S2Sheltered Flat	305	305	0	
S2Sheltered House	1	1	0	
S2Wardens Bungalow	3	3	0	
S2Wardens Flat	4	4	0	
S2Wardens House	1	0	1	
S3Sheltered Bungalow	2	1	1	
S3Wardens Bungalow	15	11	4	
S3Wardens Flat	1	1	0	
S3Wardens House	20	7	13	
S4Wardens Flat	1	1	0	
<b>Total</b>	<b>7,271</b>	<b>3,591</b>	<b>3,680</b>	<b>49.4%</b>

**Note**

G = General Need

S = Sheltered

SO = Shared Ownership

GNB = General Needs New Build

M = Mini Group (over 55s with no warden service)

The number equates to the number of bedrooms the property has for example a G3house is a general need 3 bed house.

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Flintshire County Council - HRA 30 Year Financial Business Plan Summary

Yr	Financial Year	Income			Expenditure						Net Operating Balance					Available Capital Funding								Capital Programme				Financial Year
		Net Rent Income	Other Income	Total Income	Estate Mgmt	Landlord Services	Repairs & Maint	Mgmt & Support	Debt Charges	Total Expenses	Net Operating Expenditure	Balance B/F	CERA	Balance C/F	4% of expenditure	CERA	MRA	Regeneration Works	New Build PB	WHQS PB	Capital Receipts	Energy Feed in Tariff	Total Capital Funding	Total Capital Works Programme	Total Sharp Programme	Total Regeneration Programme	Total Capital Programme	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
1	2020.21	(35,094)	(1,611)	(36,705)	1,882	1,434	8,907	2,638	9,030	23,890	(12,814)	(1,313)	12,653	(1,474)	(1,462)	12,653	5,065	0	9,455	1,300	1,716	275	30,464	19,293	11,171	0	30,464	2020.21
2	2021.22	(36,330)	(1,690)	(38,020)	1,916	1,463	10,138	2,690	9,338	25,546	(12,474)	(1,474)	11,786	(2,163)	(1,493)	11,786	5,065	0	1,945	0	0	275	19,070	15,784	1,945	1,342	19,070	2021.22
3	2022.23	(37,700)	(1,709)	(39,409)	1,954	1,493	10,524	2,744	9,411	26,125	(13,284)	(2,163)	12,298	(3,149)	(1,537)	12,298	5,065	671	7,623	0	0	275	25,931	16,109	7,623	2,200	25,931	2022.23
4	2023.24	(38,988)	(1,728)	(40,715)	1,993	1,522	10,781	2,798	9,758	26,852	(13,864)	(3,149)	13,979	(3,034)	(1,633)	13,979	5,065	1,100	7,775	0	0	275	28,194	16,419	7,775	4,000	28,194	2023.24
5	2024.25	(41,093)	(1,758)	(42,850)	2,032	1,552	11,043	2,854	10,145	27,626	(15,225)	(3,034)	13,217	(5,042)	(1,634)	13,217	5,065	2,000	7,931	0	0	275	28,488	16,557	7,931	4,000	28,488	2024.25
6	2025.26	(41,406)	(1,767)	(43,174)	2,072	1,583	11,262	2,910	10,572	28,399	(14,774)	(5,042)	13,524	(6,293)	(1,677)	13,524	5,065	2,000	8,089	0	0	275	28,953	16,864	8,089	4,000	28,953	2025.26
7	2026.27	(42,522)	(1,788)	(44,310)	2,128	1,626	11,564	2,988	11,000	29,306	(15,004)	(6,293)	13,831	(7,466)	(1,725)	13,831	5,065	2,000	8,251	0	0	275	29,422	17,171	8,251	4,000	29,422	2026.27
8	2027.28	(43,667)	(1,808)	(45,475)	2,185	1,669	11,875	3,068	11,430	30,227	(15,249)	(7,466)	14,137	(8,578)	(1,775)	14,137	5,065	2,000	8,416	0	0	275	29,893	17,477	8,416	4,000	29,893	2027.28
9	2028.29	(44,840)	(1,830)	(46,670)	2,243	1,714	12,192	3,151	11,861	31,161	(15,508)	(8,578)	14,444	(9,642)	(1,824)	14,444	5,065	2,000	8,584	0	0	275	30,369	17,784	8,584	4,000	30,369	2028.29
10	2029.30	(46,043)	(1,851)	(47,894)	2,303	1,760	12,518	3,235	12,295	32,111	(15,783)	(9,642)	14,751	(10,673)	(1,874)	14,751	5,065	2,000	8,756	0	0	275	30,847	18,091	8,756	4,000	30,847	2029.30
11	2030.31	(48,185)	(1,885)	(50,070)	2,365	1,807	12,852	3,321	12,731	33,076	(16,994)	(10,673)	15,058	(12,609)	(1,925)	15,058	5,065	2,000	8,931	0	0	275	31,329	18,398	8,931	4,000	31,329	2030.31
12	2031.32	(48,539)	(1,896)	(50,435)	2,428	1,855	13,194	3,409	13,169	34,056	(16,379)	(12,609)	15,559	(13,430)	(1,985)	15,559	5,065	2,000	9,110	0	0	275	32,009	18,899	9,110	4,000	32,009	2031.32
13	2032.33	(49,835)	(1,919)	(51,753)	2,492	1,904	13,545	3,500	13,610	35,052	(16,701)	(13,430)	15,869	(14,262)	(2,037)	15,869	5,065	2,000	9,292	0	0	275	32,501	19,209	9,292	4,000	32,501	2032.33
14	2033.34	(51,162)	(1,942)	(53,104)	2,558	1,955	13,905	3,593	14,054	36,065	(17,039)	(14,262)	12,179	(19,122)	(1,930)	12,179	5,065	2,000	9,478	0	0	275	28,997	19,519	9,478	0	28,997	2033.34
15	2034.35	(52,523)	(1,966)	(54,489)	2,626	2,007	14,273	3,688	14,458	37,052	(17,436)	(19,122)	14,285	(22,273)	(2,054)	14,285	5,065	0	9,667	0	0	275	29,293	19,625	9,667	0	29,293	2034.35
16	2035.36	(54,955)	(2,003)	(56,958)	2,696	2,060	14,651	3,786	14,783	37,975	(18,983)	(22,273)	14,592	(26,664)	(2,103)	14,592	5,065	0	9,861	0	0	275	29,793	19,932	9,861	0	29,793	2035.36
17	2036.37	(55,348)	(2,015)	(57,363)	2,767	2,114	15,038	3,886	15,113	38,918	(18,444)	(26,664)	14,899	(30,209)	(2,153)	14,899	5,065	0	10,058	0	0	275	30,297	20,239	10,058	0	30,297	2036.37
18	2037.38	(56,813)	(2,040)	(58,853)	2,840	2,170	15,435	3,988	15,450	39,883	(18,970)	(30,209)	15,206	(33,974)	(2,204)	15,206	5,065	0	10,259	0	0	275	30,805	20,546	10,259	0	30,805	2037.38
19	2038.39	(58,315)	(2,066)	(60,381)	2,915	2,227	15,842	4,094	15,792	40,869	(19,512)	(33,974)	15,513	(37,973)	(2,255)	15,513	5,065	0	10,464	0	0	275	31,317	20,853	10,464	0	31,317	2038.39
20	2039.40	(59,854)	(2,092)	(61,946)	2,991	2,286	16,258	4,201	16,141	41,877	(20,069)	(37,973)	15,819	(42,222)	(2,308)	15,819	5,065	0	10,674	0	0	275	31,833	21,159	10,674	0	31,833	2039.40
21	2040.41	(61,431)	(2,119)	(63,550)	3,070	2,346	16,685	4,312	16,496	42,908	(20,642)	(42,222)	16,126	(46,738)	(2,361)	16,126	5,065	0	10,887	0	0	275	32,353	21,466	10,887	0	32,353	2040.41
22	2041.42	(64,260)	(2,161)	(66,421)	3,151	2,407	17,123	4,425	16,857	43,963	(22,459)	(46,738)	16,659	(52,538)	(2,425)	16,659	5,065	0	11,105	0	0	275	33,104	21,999	11,105	0	33,104	2041.42
23	2042.43	(64,704)	(2,174)	(66,879)	3,233	2,470	17,572	4,541	17,225	45,041	(21,838)	(52,538)	16,969	(57,407)	(2,480)	16,969	5,065	0	11,327	0	0	275	33,636	22,309	11,327	0	33,636	2042.43
24	2043.44	(66,402)	(2,203)	(68,605)	3,318	2,535	18,031	4,659	17,600	46,143	(22,462)	(57,407)	17,279	(62,590)	(2,537)	17,279	5,065	0	11,554	0	0	275	34,172	22,619	11,554	0	34,172	2043.44
25	2044.45	(68,142)	(2,232)	(70,374)	3,404	2,601	18,502	4,781	17,982	47,270	(23,103)	(62,590)	17,354	(68,340)	(2,585)	17,354	5,065	0	11,785	0	0	275	34,478	22,694	11,785	0	34,478	2044.45
26	2045.46	(69,924)	(2,261)	(72,186)	3,493	2,669	18,985	4,906	18,371	48,423	(23,763)	(68,340)	17,660	(74,443)	(2,643)	17,660	5,065	0	12,020	0	0	275	35,021	23,000	12,020	0	35,021	2045.46
27	2046.47	(71,751)	(2,292)	(74,043)	3,584	2,738	19,479	5,033	18,767	49,601	(24,441)	(74,443)	17,967	(80,917)	(2,703)	17,967	5,065	0	12,261	0	0	275	35,568	23,307	12,261	0	35,568	2046.47
28	2047.48	(75,039)	(2,145)	(77,184)	3,677	2,810	19,986	5,164	19,170	50,807	(26,377)	(80,917)	18,274	(89,020)	(2,763)	18,274	5,065	0	12,506	0	0	275	36,120	23,614	12,506	0	36,120	2047.48
29	2048.49	(75,541)	(2,160)	(77,701)	3,773	2,883	20,505	5,298	19,580	52,039	(25,662)	(89,020)	18,581	(96,101)	(2,825)	18,581	5,065	0	12,756	0	0	275	36,677	23,921	12,756	0	36,677	2048.49
30	2049.50	(77,506)	(2,192)	(79,698)	3,871	2,957	21,036	5,436	19,999	53,299	(26,399)	(96,101)	18,888	(103,612)	(2,887)	18,888	5,065	0	13,011	0	0	275	37,239	24,228	13,011	0	37,239	2049.50

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**HRA Capital Programme 2020/21**

<b>HRA Capital Programme</b>	
<b>WHQS</b>	<b>£'m</b>
<b>CATCH UP REPAIRS / MAJOR WORKS</b>	
Urgent Capital Works	0.432
<b>IMPROVEMENTS / COMMUNAL WORKS</b>	
Fire Risk Assessments Work	0.530
General DDA Work	0.053
<b>IMPROVEMENTS / ACCELERATED WORKS</b>	
Asbestos Survey and Removal (Ongoing Programme)	0.636
Off Gas Programme	-
Welfare Reform / Adaptations	0.106
<b>PROGRAMMED WORK STREAMS</b>	
Internal Works	1.140
Envelope Works	9.656
External Works, Paths, Fences	0.504
Environmental Works - General	2.016
Capitalised Salaries	0.985
WHQS Acceptable Fails	1.061
Empty Properties	0.796
<b>Total WHQS</b>	<b>17.914</b>
<b>Non WHQS</b>	
Disabled Facility Grants (DFG) - Mandatory/ Minor Adaps	1.104
Energy Efficiency	0.275
<b>Total Non - WHQS</b>	<b>1.379</b>
<b>SHARP Programme</b>	
Batch 3 Commitments	0.524
Batch 4 Estimates	10.647
<b>Total SHARP Programme</b>	<b>11.171</b>
<b>Total Capital Spend</b>	<b>30.464</b>

Mae'r dudalen hon yn wag yn bwrpasol



## HRA Business Planning - Appendix D

### Efficiencies/Use of one off funding

No	Section	Description	Recurring/ Non-recurring	2020/21 £m	Narrative
1	Estate Management/Repairs & Maintenance	Impact of Restructure	Recurring	(0.018)	Based on current proposals.
2	Estate Management	Reduction in bad debt provision	One-off	(0.037)	Reduce BDP % to 2.15% due to the introduction of software.
3	Landlord Services	Garden/Hedge Cutting	Recurring	(0.098)	New contractor, lower prices.
4	Management & Support	SLA Contributions	Recurring	(0.038)	Business Support/Contact Centre. Reduce contribution. £0.038m efficiency based on proposed contribution of £0.100m p.a. for Contact Centre.
5	Management & Support	Reduction of Health & Safety Officer	Recurring	(0.062)	Vacant post.
6	Management & Support	Finance SLA	Recurring	(0.044)	Reduction due to finance restructure.
7	Management & Support	Housemark	Recurring	(0.009)	Cancellation of subscription to Housemark.
		<b>Total revisions to HRA Funding</b>		<b>(0.306)</b>	

### Cost Pressures

No	Section	Description	Recurring/ Non-recurring	2020/21 £m	Narrative
1	Other Income	Reduction in water commission	Recurring	0.060	Reduction in commission received for collecting Water rates.
2	Other Income	Stepped Service Charge Increase	One-off	0.072	Full cost recovery increase stepped over 2 years
3	Garage Rent	Garages demolished in 18/19	Recurring	0.028	74 Garages demolished since last year's plan
4	Estate Management	Income team restructure	Recurring	0.035	Additional Income Officer.
5	Estate Management	Tenancy Enforcement	Recurring	0.030	CCTV, target hardening and enforcement action
6	Landlord Services	Servicing Contracts review	Recurring	0.113	Additional costs of contracts.
7	Repairs and Maintenance	Insurance	Recurring	0.050	Repairs and legal costs.
8	Repairs and Maintenance	Apprentice Budgets	Recurring	0.066	6 budgeted for however pressure figure calculated based on 9 trainees on a rolling basis.
9	Salaries	Ongoing impact of pay award	Recurring	0.212	Second year impact of pay award.
		<b>Total revisions to HRA Expenditure</b>		<b>0.666</b>	

		<b>Net Revenue Pressure 2020/21</b>		<b>0.360</b>	
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Mae'r dudalen hon yn wag yn bwrpasol

**FLINTSHIRE  
HOUSING REVENUE ACCOUNT:  
ANNUAL BUSINESS PLAN AND  
30 YEAR FINANCIAL FORECASTS  
2020- 2021**

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## 1 FOREWORD

We are pleased to present our latest Annual Business Plan for 2020/21 and 30 year financial forecasts for the Housing Revenue Account. The plan includes our key priorities for the forthcoming year as well as progress against our action plan to date. We believe we are making good progress to deliver an efficient and effective service to our tenants. We are looking to undertake a Customer Survey this year so we can better understand where we need to focus our resources to deliver the excellent service our tenants expect.

The Council continues to value the principle that a good quality home is at the heart of individual and community well-being and is committed to enabling the provision of appropriate and affordable homes, particularly for those in the greatest need.

Some of our successes to date include the delivery of 114 new Council homes through our Strategic Housing and Regeneration Programme (SHARP). The whole SHARP new build scheme aims to deliver 500 new social and affordable homes by 2020/21 whilst providing new jobs and training opportunities for local people, as well as much needed new homes.

In addition, we have exceeded our delivery targets for the Welsh Housing Quality Standards (WHQS), improving our stock and providing quality homes for our residents, through the installation of new kitchens, bathrooms and roofs, and improving the local environment. We are on schedule to complete the WHQS programme by 2020.

This annual business plan sets out our ambition and priorities for the forthcoming year and provides the basis for the lifetime of the plan including: growing the housing stock by a minimum 1,500 over the lifetime of the plan; maintaining, sustaining and building on the improvements delivered through WHQS investment; and to be in the top quartile for performance and quality of service delivery in Wales.

**Cllr Dave Hughes**  
**Cabinet Member for Housing**

**Neal Cockerton**  
**Chief Officer for Housing and Assets**

## 2 EXECUTIVE SUMMARY

This Annual Business Plan sets out Flintshire County Council's annual review and 30 year financial plan for the Housing Revenue Account (HRA). The narrative provides an overview of the current position, outlining our achievements, as well as setting out an action plan to deliver continuous improvements in our services. The business plan also sets out a financial forecast for the next 30 years.

The Flintshire HRA housing service aims to: *Ensure its residents have access to appropriate and affordable homes, through ensuring the supply of affordable and quality council housing of all types.*

The HRA service currently manages a portfolio of 7,271 properties (end of December 2019).

A priority is to continue to grow our housing stock by a minimum of 1,500 additional homes over the lifetime of the plan. This will be achieved through new build and strategic acquisitions, and is intended to meet the emerging and changing needs of Flintshire's population and the challenges we face through increased numbers of people on the housing register and a shrinking private sector rental market. The scale, type and tenure of housing delivery will be led and informed by the intelligence of demand and the profile of those on the housing register, Single Access Route to Housing (SARTH), as well as importantly through the County's new Housing Strategy and Action Plan (2019-2024), which identifies the current and emerging housing needs. We are continuing with the strategic acquisition programme, where we have purchased five previous right to buy properties to meet a specific need, and our new build programme has delivered a further 114 new build properties through SHARP to date.

A further priority has been to maintain, sustain and build on the improvements delivered through the WHQS programme, particularly to improve the energy efficiency of our homes. We aim to continue to improve our asset base, while developing an understanding of what measures can be implemented to ensure our current assets achieve a high energy rating whilst remaining comfortable for our tenants. We must also ensure the high standard of our asset base is maintained. As part of this process we intend to conduct an up to date housing stock survey to provide a clearer, more comprehensive understanding of our housing stock to enable us to prioritise activity.

The service is committed to the continuous improvement of its overall performance, particularly in relation to service delivery, and while this business plan identifies some significant performance improvements, the longer term objective and priority is to be in the top quartile for performance and quality of service delivery in Wales. To achieve this we recognise the need to ensure that intelligence is being gathered in a way which can be effectively and efficiently interrogated and analysed to inform methods of delivery, robust reporting and benchmarking. Following the implementation of the Mobysoft software, further analysis of rent arrears will be carried out to identify trends and support tenants in reducing rent arrears. We have made developments in the responsive repairs service and have improved this area with the implementation of technical devices which assist the department to provide an effective and efficient service to tenants to ensure value for money and further efficiencies are achieved.

Our Housing and Neighbourhood Management Teams work on dedicated 'patch' areas, delivering improved customer service across Flintshire; and we have been working in partnership with other teams in the Council to provide support for our tenants who are facing financial issues and who are, as a result, in arrears with their rent. This proactive approach has provided early support, assisting tenants in resolving their financial issues and where possible preventing them from losing their home. Our priority is to develop a better understanding of our tenants needs and we are looking to undertake a customer survey, the results of which, will focus on and inform our priorities for future years.

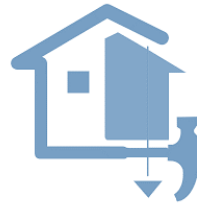
Other strategic priorities for our services in 2020/21 include further work on understanding our stock and analysis of its best use, this will include:

- an update of the Sheltered Housing Review to include more analysis of sites;
- the development of a new voids policy; and
- adopt a collaborative approach to plan for the increase in demand for adaptations in properties to allow tenants to remain in their home longer.

## Summary of achievements



**We have built over 114 new Council homes upto December 2019**



**We are building a further 35 new Council homes this year**



**We have supported a total of 56 apprenticeships through WHQS and SHARP**



**We have let 568 Flintshire Council homes**



**Flintshire Council manages 7,271 properties**



**We continue to achieve 96% customer satisfaction for the WHQS programme**



**7,000 WHQS compliant kitchens delivered**



**7,000 WHQS compliant bathrooms delivered**



**5,500 WHQS compliant roofs and associated components delivered**



**All urgent repairs were responded to within 4 days of being reported**



**We continue to achieve an average of 99.92% gas maintenance**



Flintshire County Council's housing service sits within the wider context of the Council Plan and the Well-being and Future Generations Act.

### **3.1 The Council Plan (2017 – 2023) Strategic Priorities**

Flintshire County Council has identified housing as a key strategic priority as set out in the Council Plan for 2017 - 2023, ensuring its residents have access to:

- Appropriate and affordable homes, through ensuring the supply of affordable and quality council housing of all tenures; and
- Modern, efficient and adapted homes, through ensuring the supply of affordable and quality housing of all tenures.

The Council's aim is to:

- Prevent homelessness
- Meet the diverse housing and accommodation needs of the local population
- Develop more opportunities for people to access affordable rent and low cost home ownership
- Build the maximum number of Council houses possible as part of the housing supply solution
- Meet the Welsh Government target for all social housing to be brought up to the Welsh Housing Quality Standard (WHQS).

In order to achieve the aims and priorities:

- We need to be able to access grant funding to support new build affordable and social housing;
- There needs to be sufficient resources to fulfil the duties of the Wales Housing Act;
- Revised capital limits on borrowing for councils to build new houses;
- Maintaining of the funding of Major Repairs Allowance (MRA) so that the Council can meet the WHQS by 2020; and
- Maintaining a rent policy which allows the Council to achieve WHQS by 2020.

### **3.2 The Well-being of Future Generations (Wales) Act 2015**

The seven goals set out in the Well-being for Future Generations Act (Wales) 2015 has informed the development of the Housing strategy, by ensuring that we consider how we work better with people, communities and other organisations, as well as looking at how we prevent problems and take a more joined-up approach in delivery of the strategy.

**A prosperous Wales** - An innovative, productive and low carbon society which recognizes the limits of the global environment and therefore uses resources efficiently and proportionately (including acting on climate change); and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities, allowing people to take advantage of the wealth generated through securing decent work.

**A resilient Wales** - A nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).

**A healthier Wales** - A society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.

**A more equal Wales** - A society that enables people to fulfil their potential no matter what their background or circumstances (including their socio economic background and circumstances).

**A Wales of cohesive communities** - Attractive, viable, safe and well-connected communities.

**A Wales of vibrant culture and thriving Welsh language** - A society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sports and recreation.

**A globally responsible Wales** - A nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.

### **3.3 Welfare Reform**

Welfare reform has meant that Universal Credit (UC) has been rolled out in Flintshire, resulting in a cap on income from benefit which families and individuals can receive; ending housing benefit and direct payment to landlords; and limiting the amount of housing benefit for working age tenants.

A significant risk to the Business Plan is the collection of rent income as the tenant's income reduces or when they are expected to take ownership and manage budgets directly. Following the roll out of Universal Credit, the Council's Housing Service has experienced an increase in rent arrears, partly due to delays in the initial UC payments to tenants.

### **3.4 Housing Strategy**

The Flintshire Housing Strategy and Action Plan 2019-2024 has been developed and identifies three priorities:

- Priority 1: Increase supply to provide the right type of homes in the right location;
- Priority 2: Provide support to ensure people live and remain in the right type of home;
- Priority 3: Improve the quality and sustainability of our homes.

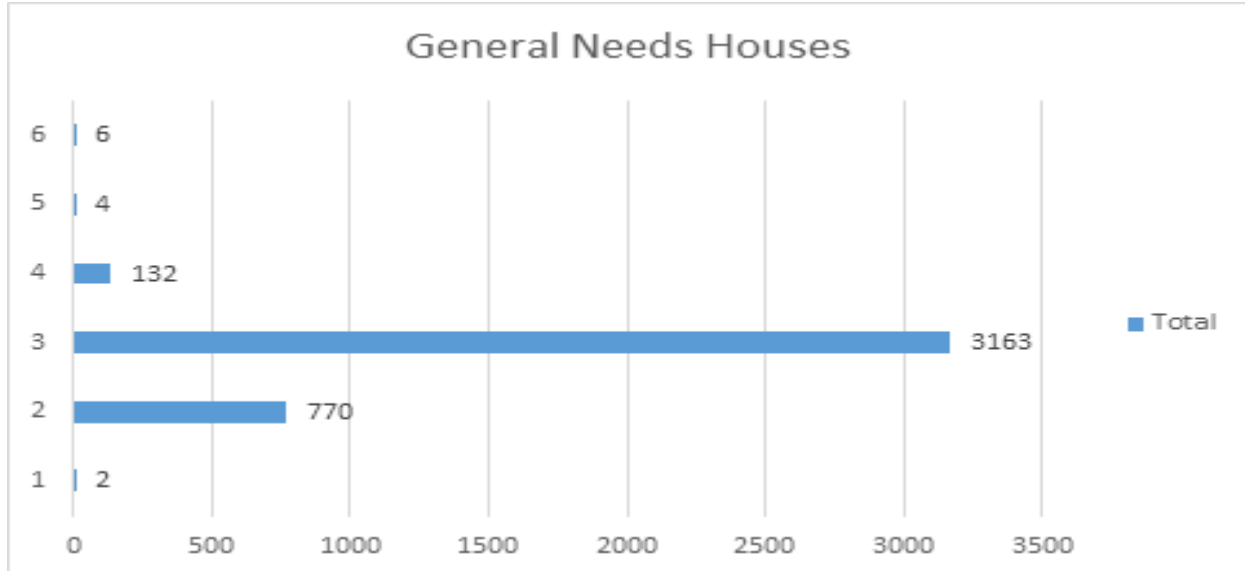
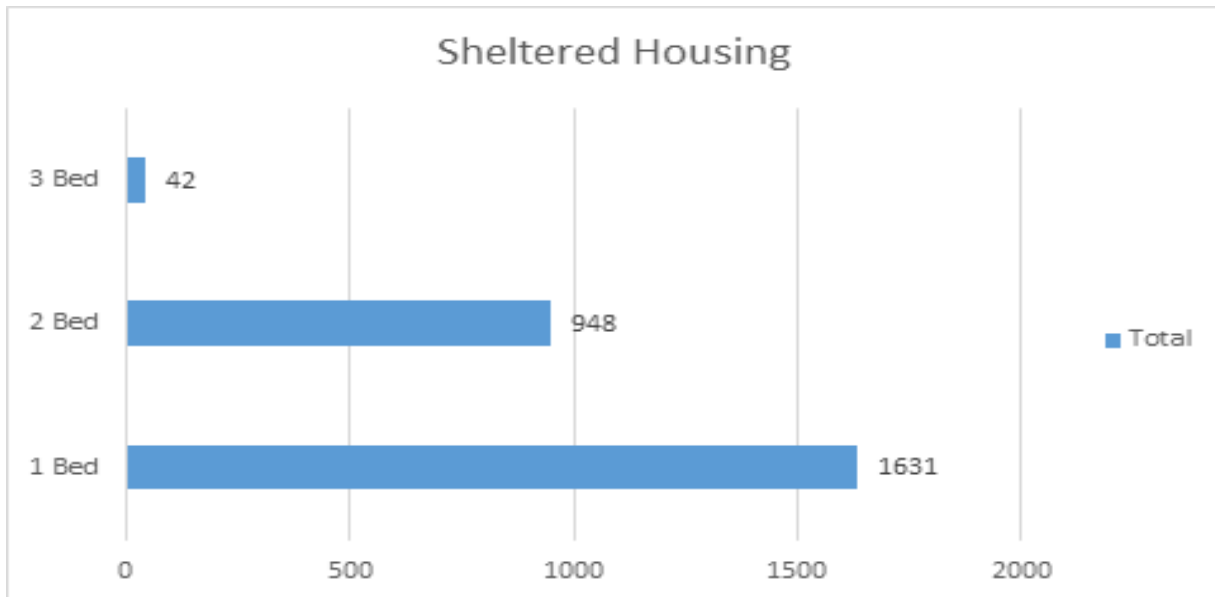
### **3.5 Housing need and supply**

The demand for housing comes from all areas of our society including the under 35s; the 'squeezed middle' who can't afford to buy but are not eligible for social rented properties; and also the over 65's. Changing demographics, economic growth and changes in Government policies, such as Welfare Reform, all have an impact on Flintshire and its housing market.

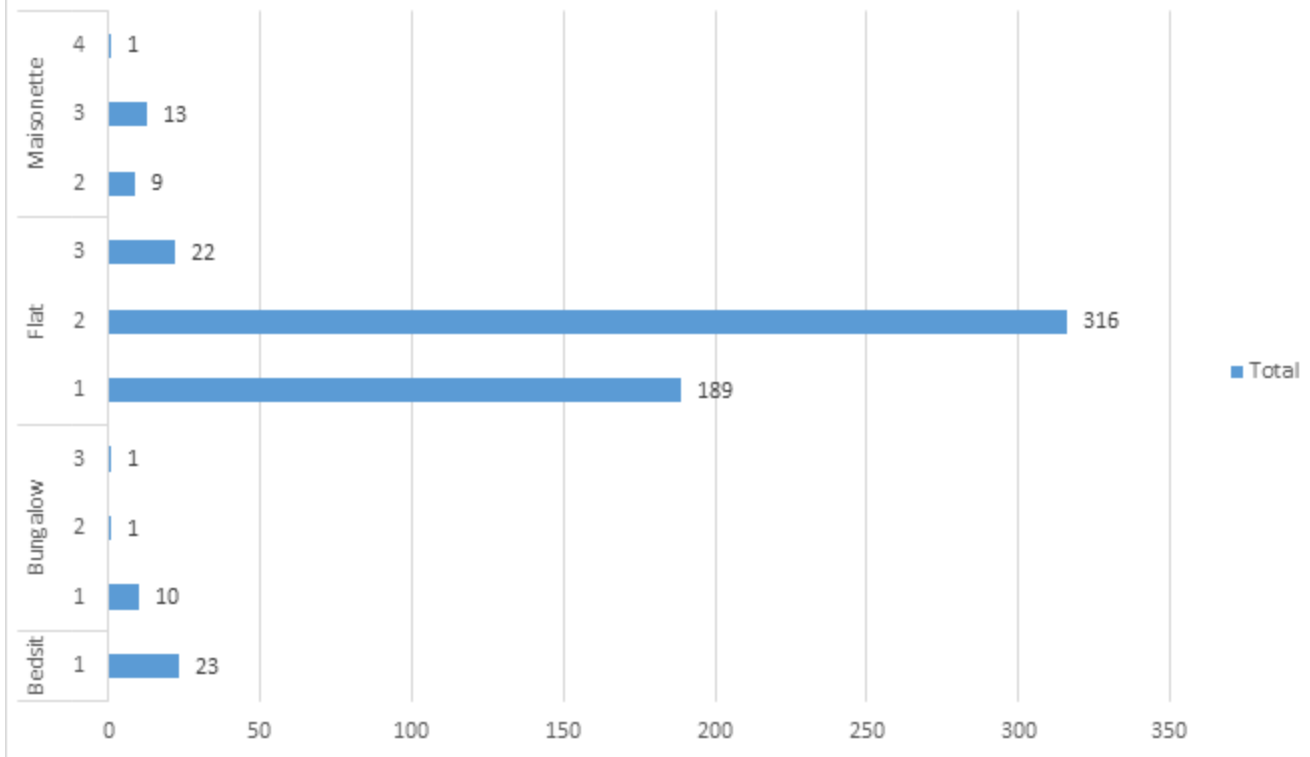
The design and location of some Council properties has resulted in low demand which, from a financial perspective, incurs costs for the council through rent loss. However, the demand for social housing exceeds the available supply, reducing risk to the HRA of not being able to allocate their properties. However, the issue is availability of the right type of social housing to meet the needs of those on the housing waiting list, in particular single households.

Critically, going forward, up to date and accurate intelligence will help to inform how the supply can meet the demand and reduce the financial risk of rent loss. Initial analysis of the current waiting list shows significant demand for smaller one bed accommodation to meet the housing requirements of single people and couples.

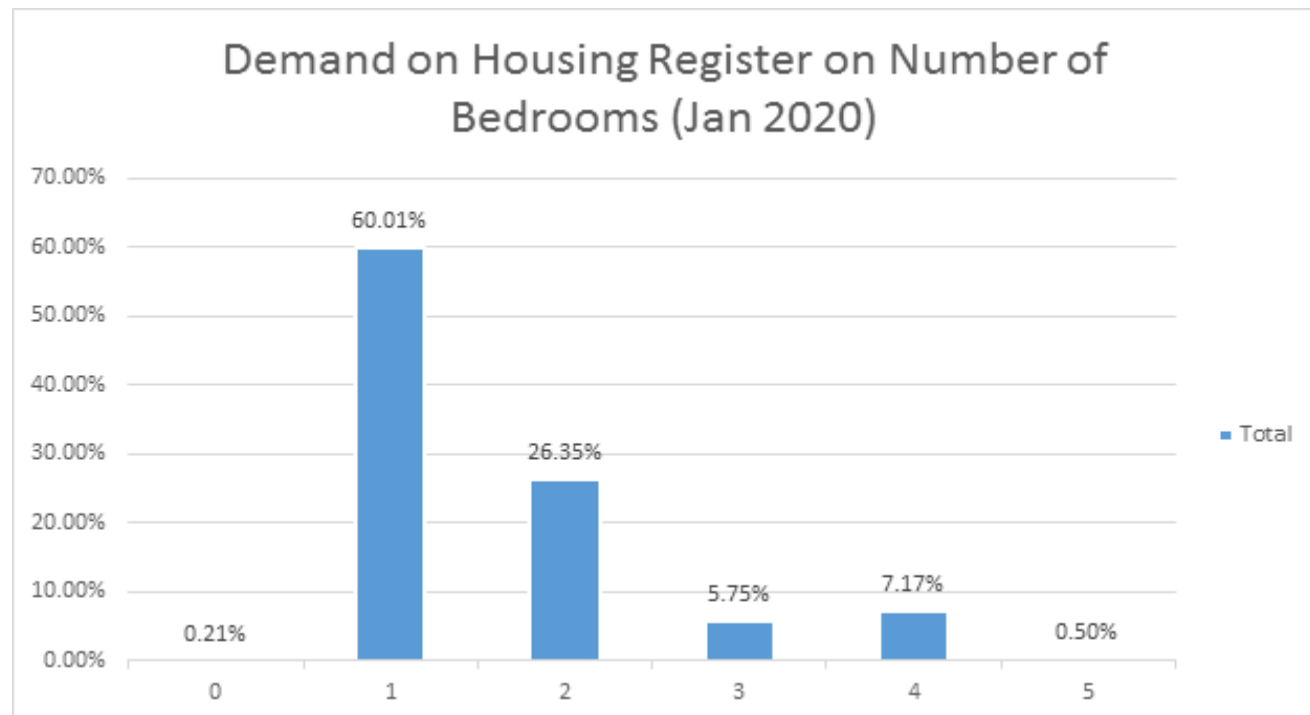
## Breakdown of Flintshire County Council HRA Housing Stock (January 2020)



### General Needs Flats and Bungalows

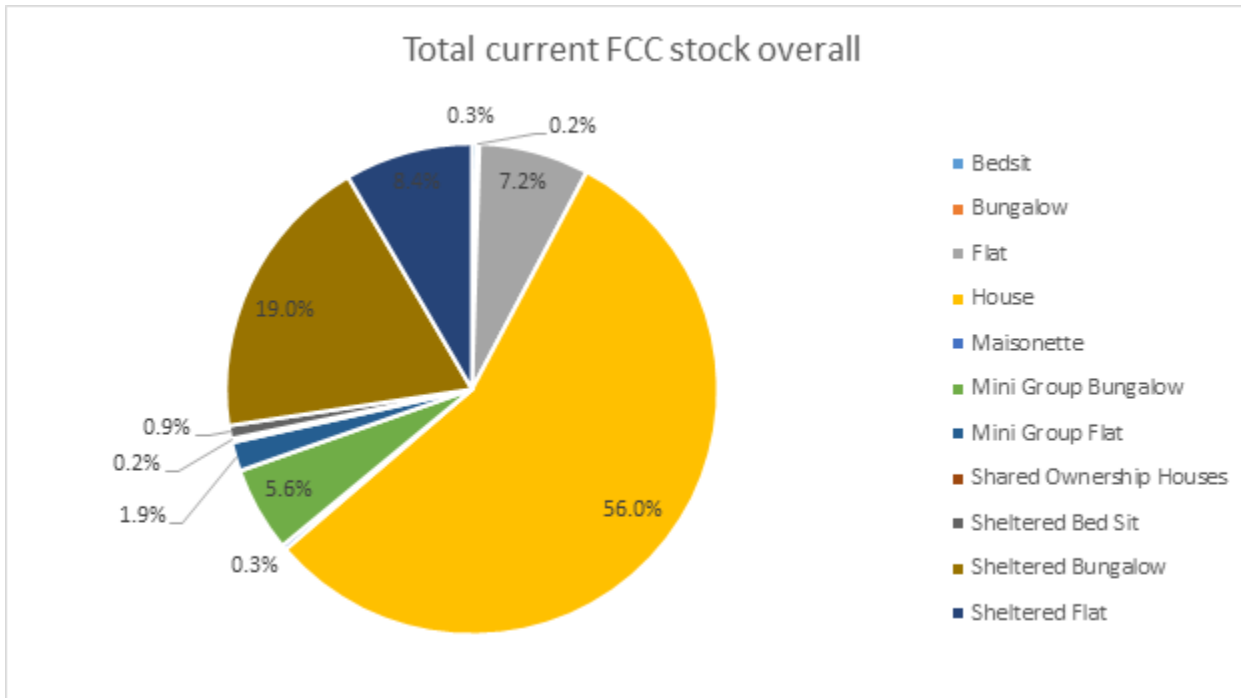


### Demand on Housing Register on Number of Bedrooms (Jan 2020)



As at January 2020 there are 1,408 households registered on the Single Access Register to Housing (SARTH), which is a reduction in demand compared to 2019/20 of approximately 100.

The Council is aware that the current stock will not meet the demands of smaller one bedroom households, so building our understanding of the short to medium term demand for general needs, the Council is taking a strategic approach to meeting this demand through a combination of new build; strategic acquisitions; and realigning existing stock.



## 4.1 Strategic priorities

### Older persons –sheltered accommodation

Over a year ago a desk based analysis was carried out on the council's sheltered housing stock. This included pulling together information on void loss, demand, property size and location. An in-depth Officer review was undertaken in 2019, the scope of which included:

Stage 1: A scheme by scheme review to ascertain:

- Analysis of property types and current use;
- Void rates - developing detailed understanding of reasons for turnover;
- Developing a series of options for individual schemes with the aim of reducing void rates and ensuring best use of stock;
- Produce recommendations for the Council to adopt on a scheme by scheme basis.

Stage 2: Assess best use of the stock where there are issues identified in stage 1:

- The review of those properties should identify the best use of the stock including whether they should be general needs or consider if they could be used to assist with delayed transfer from care / hospital and reduce costs to the Council and other stake holders.
- Consider whether it would be efficient to invest capital expenditure to make them fit for purpose for the future, for example:
  - Installation of Stair Lifts might be a cost effective solution to avoid the need for tenants in upper flats to move to a more accessible property.
  - Technology and training to enable internet shopping and other local deliveries, may be useful in supporting those who live in rural areas.
- Consider whether bedsit accommodation can best meet changing housing demand and expectations including the reduced demand from older people for this type of accommodation, and an increased demand for single person accommodation.

Underpinning both stages of the review, we will need to ensure we are being efficient in the use of our stock, and that it provides a series of recommendations for Cabinet to consider within the context of best use of the stock and its changing demand profiles.

### Condition of stock

We aim to continue to improve our asset base, while developing an understanding of the issues of our existing range of improvement offers and installation or component lifecycles. As part of this process we intend to refresh our housing stock survey to provide a clearer, more comprehensive understanding of our housing stock so as to enable us to prioritise activity in a more targeted way. This will be a priority for 2020/21 as this will assist in informing the delivery of the ongoing cyclical maintenance programmes.

### Customer Involvement

Previously the HRA developed a Customer Involvement Strategy and Action Plan to underpin the delivery of the Housing Service to ensure full customer involvement in all that it delivers, as such:

***The aim of the strategy and action plan (2018-2021) is to support the involvement of our customers in the development of effective, efficient and quality housing services.***

The strategy sets out our commitment to involve our customers in a meaningful and effective way identifying its key aims as:

- Ensure that customers are provided with a range of involvement opportunities.

- Provide customers with training and development opportunities to support their involvement.
- Ensure that customer involvement is considered a mainstream feature in all our service delivery activities.
- Encourage mutual trust, respect and partnership between customers and Flintshire County Council's Housing Service to ensure we have effective customer feedback.
- Work in partnership with other agencies and organisations to improve the communities in which our customers live, work and play.

To underpin these aims we are focusing on engaging and supporting (through training and information) our tenants by;

- Providing more opportunities for tenants to engage, particularly through the development of local arrangements.
- Helping tenants to resolve issues that affect them and help us ensure that we retain high levels of satisfaction in the quality of our services we deliver.
- Improving and extending the range of communication options to ensure our tenants are informed, engaged and have the opportunity to challenge.
- Developing training programmes which encourage participation and involvement in the development of resilient communities.

The action plan will be reviewed on a quarterly basis which will act as a challenge back to ask if we have achieved what we said we would do and to gauge what impact these actions are having on the delivery of services to our tenants.

### **Customer satisfaction**

The overall service performance identifies areas of positive service delivery as well as areas for improvement, including capturing customer feedback, compliments and complaints, particularly in relation to the allocation and move in element of the service. Progress has been made on implementing the following actions but work will continue this year.

- Sourcing an independent company to undertake follow-up satisfaction surveys based on service delivered through regular surveys;
- Joining up the IT and delivering a digital solution using apps to capture feedback – this may require some up front work with tenants to ensure they use the service but it aligns with the Council's digitalisation strategy going forward;
- Reviewing resource management and ensuring ***we get it right first time***;
- Undertake the Survey of Tenants and Residents (STAR survey) to benchmark customer satisfaction; and,
- Use APSE to benchmark our performance and customer satisfaction.

### **Stores**

The service has secured a contract with Travis Perkins to provide stock through bulk supply and has been closely monitored this year. The contract enables the HRA to ensure best value for the top 500 stock items through a transparent process where the HRA can benchmark and challenge prices through reviewing the high spend and high volume products and test the market when needed.

### **Fleet Monitoring**

A corporate contract to supply fleet has been secured through GoPlant. This service is intended to achieve targeted efficiencies, including savings on mileage and fuel. Vehicles are tracked and reports produced for Team Leaders on mileage, fuel consumption and driving behaviours. This provides a

'demand plan' for the usage of the vehicles and enables the team leaders to manage the impact of the costs of the fleet.

#### 4.2 New build programme (SHARP)

The following table provides an overview of the delivery of new Council homes to date in Flintshire.

Site	Property type	Number of units
Custom House, Connah's Quay	2 Bed House	8
	3 Bed House	4
<b>Total units delivered 2016/17</b>		<b>12</b>
The Walks, Flint	1Bed Apartment	4
	2 Bed Apartment	2
	2 Bed House	18
	3 Bed House	6
Redhall, Connah's Quay	2 Bed House	5
Maes y Meillion and Heol Y Goron, Leeswood	2 Bed apartments	4
	2 Bed bungalows	4
	2 Bed House	2
	3 Bed House	3
Ysgol Delyn, Mold	2 Bed House	10
	3 Bed House	6
<b>Total units delivered 2017/18</b>		<b>64</b>
Melrose, Shotton	1 Bed Apartment	2
	2 Bed Apartment	2
	2 Bed House	5
The Dairy, Connah's Quay	2 Bed House	3
	3 Bed House	3
<b>Total units delivered 2018/19</b>		<b>15</b>
Llys Dewi, Penyffordd	2 Bed House	16
	3 Bed House	7
<b>Total units delivered 2019/20</b>		<b>23</b>
<b>Total units delivered under SHARP</b>		<b>114</b>



The schemes below are on course to be completed before the end of the 2019/20 financial year:

Site	Property type	Number of units
St Andrews, Garden City (modular build) (Anticipated to be completed by end of March 2020)	1 Bed Apartment	5
	2 Bed Apartment	7
Dobshill (Anticipated to be completed by end of March 2020)	1 Bed Apartment	4
	2 Bed Apartment	4
	3 Bed House	4
	4 Bed House	1
	2 Bed Bungalow	2
<b>Total units due to complete in 2019/20</b>		<b>27</b>

A further four properties in Sychdyn will be transferred into the HRA stock by the end of March 2020. This will be at nil cost to the Council.

The following schemes at Nant y Gro and Maes Gwern have been approved by Cabinet and work will continue during 2020/21.

Site	Number of units
Nant y Gro, Gronant	37
Maes Gwern, Mold	8
<b>Total</b>	<b>45</b>

The Council is currently in the process of undertaking detailed site feasibility works on a number of additional sites for inclusion in the next tranche for development. These sites will be presented for Council approval during 2020/21.

#### 4.3 Capital Programme - WHQS

The HRA has a six year rolling programme of works, which commenced in 2015/16, and is let to selected contractors. The work is arranged geographically, each district receiving a programme of work every year. The Council resources assigned to delivering WHQS are approximately 30 members of staff within the Capital Works Team, and other team members have been identified to help facilitate delivery, such as System Auditors, Tenant Liaison Officers, Surveyors, Inspectors and Modern Apprentices.

The programme internals includes kitchens, bathrooms and central heating, while the envelope works includes roofing, windows and doors. The following are the compliance guidance on installation:

- Electrical installations brought up to WHQS standards when renewed at the end of their economic life.
- Timber fascia's renewed with uPVC at the end of their economic life, unless forming part of wider project such as whole house approach.

- Timber doors renewed with uPVC at the end of their economic life, unless forming part of wider project such as whole house approach.
- Timber windows renewed with uPVC at the end of their economic life, unless forming part of wider project such as whole house approach.
- Kitchens that are over 15 years old and in poor condition are renewed as part of this approach. When renewed, kitchens will be upgraded to meet all requirements of the WHQS.
- Bathrooms without showers are upgraded when the current bathroom reaches the end of its economic life; or as part of a Capital Works Internal project; or 'Major Void' works.

More broadly, Flintshire County Council has been successful with a bid for energy efficiency funding for delivery in future years and has been awarded £2.7 million from the Affordable Warmth Solutions (National Grid) Warm Homes Fund to install central heating systems and energy efficiency measures in up to 500 properties across Flintshire and to provide broader energy and health assistance across North Wales.

**Table A: Performance targets WHQS**

	Year	Internal work Target	Envelope Target
1	2015/16	1,457	317
2	2016/17	1,398	209
3	2017/18	1,488	658
4	2018/19	389	860
5	2019/20	500	1,187
6	2020/21	500	969

So that we could successfully deliver Year 5 of the Capital Works Programme, we have completed the process of comparing various framework providers to ascertain which would be best suited for the individual work streams. We reviewed each of the Framework Provider's:

- costs;
- the sub-contractors on their lists; and
- references for past projects.

From this exercise we will now be able to tender and procure the best suited contractors to assist us to deliver this element of the WHQS Capital Programme with the aim of delivering efficiencies against costs and resource requirements.

### **Customer satisfaction**

WHQS are currently achieving an average of 96% customer satisfaction. Each contractor is scored from 10 questions, which maps the tenant's journey through the upgrade works and scores key elements which allows us to identify any weaknesses or risks and to action accordingly. The tenant satisfaction survey is completed by the Council's Tenant Liaison Officers in a face-to-face informal interview, asking for honest feedback that can help the team and service to improve. Some tenants prefer to complete the survey in their own time and can return it via Free Post or can have it collected. This important part of the process enables the team to gather key performance data that is used to correctly measure the contractors' customer focus onsite.

### **Asset Compliance**

#### **(i) Fire Safety**

The HRA own and manage three purpose-built high rise blocks, designated as sheltered housing with stay put/ stay safe policy in the event of a fire. The three high rise blocks have been refurbished externally and we are proceeding with the internal works following our Fire Risk Assessment (FRA) plans. The

external envelope was insulated with a Thermoshell Rock System which is a rock mineral wool slab, which is classed as an inert material. This was directly fixed to the substrate and as a result no BRE testing was required. The windows and roof covering were also renewed.

The three high rise blocks have also benefited from a retro-fit Sprinkler System to all flats, plant rooms and common areas with the exception of the single stair case. We have completed a number of Fire Risk Assessments to the high rise blocks and are in the process of continuing to apply the same method to all of our low and mid-rise blocks.

#### **(ii) Asbestos**

We maintain compliance under the duty to manage Asbestos Regulations. We have reviewed our approach to information management and have implemented a new system with regards to surveying 100% of properties before any works commence to a Flintshire Standard Scope.

#### **(iii) Legionella**

The HRA have completed a number of Legionella Assessments with the process continuing until all risks have been captured across the housing stock. We have developed a monitoring regime in line with current regulations and from this all actions that are identified are programmed and addressed within stipulated time frames.

#### **(iv) Radon**

The HRA have recently developed a draft proposal that will identify risk associated to radon and will develop an action plan of remedial work to reduce the risks to an acceptable level.

### **4.4 Housing and Neighbourhood Management**

The service provides a strategic and important link to addressing tenants' vulnerability through a proactive approach with other internal teams such as the Income Team and Supporting People; as well as with key partners including Housing Associations. This ensures a joined up approach with maximum impact, whilst delivering an effective approach efficiently. As part of the approach to addressing vulnerability, the Council has produced a policy to focus the approach with the following objectives:

- To identify tenants who require support in the management of their tenancy.
- To encourage and promote partnerships and multi-agency working with both internal and external agencies in assessing and meeting the support needs of tenants.
- To enable tenants to reduce instances of breached tenancies and subsequent court actions.
- To provide practical assistance and financial advice to tenants who need this service.
- To attempt to prevent tenancy failure and resulting homelessness.

By having an approach that recognises the needs of vulnerable people and provides the necessary levels of support this will enable tenants to be more able to meet their tenancy obligations. As a result, tenancies will be more sustainable and the instances of anti-social behaviour will be reduced. All tenancies are managed and operated within the framework of the Council's Tenancy Management Policy.

#### **Service delivery**

The service is delivered through the following teams: Neighbourhood team; New Customer team; Community Safety team; and Customer Engagement team, the roles are set out below. The teams are each broken down into six 'patch areas' and local action plans are in place for every patch.

### **(i) Neighbourhood Team**

There are seven Neighbourhood Housing Officers that cover the six patch areas:

- Buckley
- Connahs Quay and Shotton
- Deeside and Saltney
- Flint
- Holywell
- Mold

Each Officer is designated to one of the six patch areas, with the seventh Neighbourhood Officer being used to provide additional floating support in areas that require intensive management intervention and support. They also provide flexibility and cover to help build the resilience of the team.

The designated neighbourhood areas are an increase from the previous Neighbourhood Officers patch size, however, this is a reflection of the change in the functions and the creation of a new customer team who will be responsible for the allocations and lettings. The role of the Neighbourhood Officer is more focused on providing a visible and accessible tenancy and estate management service. This includes dealing with low level anti-social behaviour cases with the tenancy enforcement team taking responsibility for high level and complex ASB cases.

Neighbourhood Officers are expected to work in an agile and flexible way providing a responsive and mobile service, which is visible and accessible to customers. This will include regular estate walkabouts, identifying resident's needs and wider community issues. Neighbourhood Officers will then use this customer insight and data to tailor services and develop effective neighbourhood plans to target resources and drive forward improvements.

The Caretaker/ Janitor role has been reviewed creating a handyperson service. This role will be used to support some of the Council more vulnerable customers, helping them to maintain their tenancy. The handyperson's service will also help support local community initiatives and projects helping to maintain clean, green and safe neighbourhoods.

### **(ii) New Customer Team**

There are six New Customer Housing Officers within the team who are designated to one of the new patch areas and they will also be responsible for covering each other's areas.

The new customer team are responsible for ensuring the effective and efficient allocation for the letting of void properties and ensuring that pre-tenancy assessments are carried out and support identified to help minimise tenancy failures. They work closely with Housing Solutions and the Voids team to ensure a seamless delivery of the service working to ensure that empty properties are re-let in the most efficient and effective way. This includes adopting innovative and dynamic approaches to marketing and allocating vacant homes. The new customers team also lead on marketing the Council 'available to let' homes on the website.

### **(iii) Tenancy Enforcement Team**

The three Community Housing Officers are each designated to two of the six patch areas and are responsible for dealing with high level and complex anti-social behaviour cases including any legal action. They are responsible for overseeing the management of cases and assisting with performance reporting. As well as being responsible for using a wide range of tools to prevent and tackle tenancy breaches including adopting a multiagency approach. The team are the lead contacts for Community Safety Partnership Meetings.

#### **(iv) Customer Engagement**

To lead on developing and delivering a comprehensive engagement programme and activities aimed at tenants and leaseholder, ensuring the events are delivered to a high standard, well attended, on time and within budget.

To maximise opportunities for resident involvement and influence and develop a range of activities, projects and initiatives to enable customers to engage with the Council's Housing service in order to influence policy decisions and service delivery at a local level.

#### **4.5 Repairs and Maintenance**

The service delivers all responsive repairs and maintenance, voids and adaptations with a team of 110 operatives, across the HRA stock. The service provided includes:

- Gas servicing;
- Electrical checks in line with legislative requirements;
- Cyclical maintenance including monthly lighting checks and fire alarm testing;
- Emergency 24 hours call out service;

The priorities for the service are:

- to improve the efficiency of the service through improved resource management;
- to support other areas of the service to become more efficient (i.e. void turn arounds); and
- to become more effective through new ways of working.

#### **Service delivery**

The service works within a Value for Money (VFM) framework, embedding the principles of economy, effectiveness and efficiency, whilst maintaining a good quality of service. Contractor spend is monitored closely on a monthly basis resulting in reduced costs and contractor spend being used for specialist or major works only.

There have been a number of improvements across a range of areas of the service including:

- Reducing the void time and speeding up the turn around, resulting in reduced rent loss for the service. This is achieved through operatives reporting any issues prior to the property becoming empty and completing any external work once the tenants have moved in.
- Successful delivery of the in-house gas service team, which is subject to audit checks and Gas Safe inspections in line with compliance.
- Implementation of legislative changes such as the new regulations for electrical installations and checks, BS 761 18<sup>th</sup> Edition and installation of carbon monoxide monitors, with the aim of positively managing any potential impact on the service.

#### **Performance and standards**

The headline response times for repairs are being exceeded as set out below.

<b>Repair</b>	<b>Target</b>	<b>Performance achieved</b>
Emergency	24 hours	2 hours
Urgent	7 days	4 days
Routine	28 days	14 days

#### **4.6 Voids delivery**

##### **(i) Void inspections**

The voids inspection service was reviewed to refocus the resource utilisation and the time it took for the inspection, ensuring a quicker inspection turn around. Subsequently, two skilled / trades employees were

appointed to solely undertake the void inspections, significantly improving the performance of the service. This was a previous paper based system which has been recently replaced with hand held devices.

**(ii) Void clearance**

The HRA has now sub-contracted clearance to a social enterprise 'Flintshire Refurbs', who employ two of the Council's tenants, providing employability skills and basic skills training whilst assisting them into further employment at the end of the contract.

**(iii) Major and minor works**

All of the minor works and some of the major is completed by the in-house team, including bathrooms and kitchens, where this is deemed to be efficient. A percentage of major works is currently subcontracted to local contractors.

**4.7 Aids and Adaptations**

The service has developed an Aids and Adaptations Policy which is a cross service policy and aims to align delivery across the Council. The purpose of the policy is to:

*'support council tenants to be supported to obtain the best solutions for themselves and their carers as quickly as possible ensuring a fair and timely system for all. This may involve carrying out adaptations or being supported to look at alternative solutions to meet people's needs'.*

The HRA will consider and adapt to the principles of the:

- Housing and Regeneration Act 1996
- Human Rights Act 1998
- Equality Act 2010
- Social Services and Wellbeing Act (Wales) 2014
- Enable adaptations scheme 2016

whilst meeting its financial and overarching duties to all its citizens.

The HRA has a dedicated annual budget for aids and adaptations of £1.030m, which funds minor adaptations up to £1,000 and major adaptations up to £36,000 as per Welsh Government guidelines. The adaptations are delivered by a dedicated team of skilled trades people and an in-house Surveyor. Where the work is specialised, and if major then this work is supported by local contractors.

In addition, the Council works in partnership with its RSL partners and Social Services to capture and address the demand for specialist housing through the Specialist Housing Group, which is deemed as good practice by Welsh Government. The demand is met through both existing stock and the necessary DFG; an acquisition of a property which can be adapted by our partner RSLs; or through including a specifically designed and built property as part of the new build programme. This approach has resulted in people being housed in suitably adapted properties.

## 5 RESOURCE AND FINANCIAL REQUIREMENT

### 5.1 Rents

In December 2019, Welsh Government released the Minister for Housing and Regeneration's decision around the Welsh Government Rent Policy for commencement in 2020/21.

This Rent Policy has been set for 5 years and it has been made clear that the rent policy settlement is a maximum amount which can be charged and landlords should consider value for money (as an annual assessment of cost efficiencies) alongside affordability for tenants (taking into account the whole cost of living in a property) as part of their rationale for setting rents.

The Rent Policy for Social Housing Rents from 2020/21 agrees the following:

- An annual rent uplift of up to CPI+1%, for 5 years to 2024/25 using the level of CPI from the previous September each year. September 2019 was 1.7%.
- The level of rents for individual tenants can be reduced, frozen or rise by up to an additional £2 over and above CPI+1%, on condition that total rental income collected by the social landlord increases by no more than CPI+1% (2.7%).

The 2020/21 average rent band proposed by Welsh Government is shown in the table below. A maximum uplift of 2.7% (CPI plus 1%) would take the average rent paid in 2020/21 to £96.57 which is just above the low end of the target rent band.

	2020/21 Target Rent Band		
Average Rent	Low End	Mid-Point	High End
Flintshire	£ 95.82	£ 100.87	£ 105.91

For the purposes of the Business Plan an overall uplift of 1.7% to all tenants has been applied and, in addition, the transitional uplift of £2 has also been applied to tenants who are currently paying significantly under target rent. This ensures that no individual tenant will pay more than the maximum allowed under the policy but moves towards readdressing the disparity between those rents under and those at target rent and seeks to make rent charges to all tenants more equitable.

Anticipated Rental (including voids rent loss) and other income for the three year period 2020/21, 2021/22 and 2023/23 are shown in the table below:

Year	Net Rental Income	Other Income	Total Income
2020 – 2021	£35.094m	£ 1.611m	£ 36.705m
2021 – 2022	£36.330m	£ 1.690m	£ 38.020m
2022 – 2023	£37.700m	£ 1.709m	£ 39.409m

HRA Rents		No.		
Property Type	No. of Properties	Equal to / above Target Rent	Below Target Rent	
G1Bedsit	22	22	0	
G1bungalow	12	4	8	
G1Flat	160	156	4	
GNB1Apartment	6	6	0	
G1House	2	0	2	
G2Bungalow	3	1	2	
GNB2Bungalow	4	4	0	
G2Flat	307	290	17	
GNB2Apartment	8	7	1	
G2House	704	319	385	
GNB2House	68	57	11	
G2Maisonette	9	9	0	
G3Bungalow	4	3	1	
G3Flat	35	24	11	
G3Maisonette	1	1	0	
G3House	3,124	832	2,292	
GNB3House	28	23	5	
G4House	132	32	100	
G5House	4	2	2	
G6House	5	5	0	
M1Mini Group Bungalow	299	179	120	
M1Mini Group Flat	115	115	0	
M2Mini Group Bungalow	94	56	38	
M2Mini Group Flat	24	23	1	
M3Mini Group Bungalow	1	1	0	
S1Sheltered Bedsit	64	64	0	
S1Sheltered Bungalow	849	532	317	
S1Sheltered Flat	322	322	0	
S1Sheltered House	1	1	0	
S2Sheltered Bungalow	511	167	344	
S2Sheltered Flat	305	305	0	
S2Sheltered House	1	1	0	
S2Wardens Bungalow	3	3	0	
S2Wardens Flat	4	4	0	
S2Wardens House	1	0	1	
S3Sheltered Bungalow	2	1	1	
S3Wardens Bungalow	15	11	4	
S3Wardens Flat	1	1	0	
S3Wardens House	20	7	13	
S4Wardens Flat	1	1	0	
<b>Total</b>	<b>7,271</b>	<b>3,591</b>	<b>3,680</b>	<b>49.4%</b>

**Note**

G = General Need

S = Sheltered

SO = Shared Ownership

GNB = General Needs New Build

M = Mini Group (over 55s with no warden service)

The number equates to the number of bedrooms the property has for example a G3house is a general need 3 bed house.



The above chart shows the average transitional rents paid by Flintshire tenants, by property type, as at December 2019 and how they compare to target rents. Only those who are currently more than £2 below target rent will be subject to the £2 transitional rental increase in 2020/21. This will result in more tenants moving away from target rent, however it will allow Flintshire to work towards making rents equitable for all and addresses the issue raised by Welsh Government around affordability for tenants.

## 5.2 Empty Properties

Void rent loss is assumed in the business plan at 1.75% of rental income.

## 5.3 Service Charges

The rent and service charges policy was introduced in 2015 and expected all Local Housing Associations (LHA's) to be achieving full cost recovery for service charges, if this had not yet been achieved a clear transition plan should be identified to achieve this.

At 2019/20 the Council was at 70% service charge recovery for implemented charges, it is recommended that the increase in service charges to take the HRA to full cost recovery should be stepped over the next 2 years (2020/21 and 2021/22). Based on this proposal, the revised charges for 2020/21 would be:

Charge	19/20 Charge	20/21 Charge	Increase	Total income
Aerials	£ 1.20	£ 1.55	£ 0.35	£130,950
Cleaning	£ 3.77	£ 4.60	£ 0.83	£174,018
Laundry	£ 0.72	£ 0.79	£ 0.07	£29,424
Window Cleaning	£ 0.47	£ 0.75	£ 0.28	£17,075
<b>Totals</b>	<b>£ 6.16</b>	<b>£ 7.69</b>	<b>£ 1.53</b>	<b>£351,466</b>

## 5.4 Garage Rents

The proposed garage rent increase for 2020/21 is £1.22 per week which takes the garage rent per week to £9.83 (based on 52 weeks), the proposed garage plot increase is £0.20 per week taking the garage plot rent to £1.60 per week.

## 5.5 Proposed financial changes to the 2019/20 business plan

The table below lists the proposed changes to the funding of the 2020/21 business plan. This includes additional funding and any efficiencies identified since last year and revisions to HRA expenditure and any pressures which have arisen since last year.

### Efficiencies/Use of one off funding

No	Section	Description	Recurring/ Non-recurring	2020/21 £m	Narrative
1	Estate Management/Repairs & Maintenance	Impact of Restructure	Recurring	(0.018)	Based on current proposals.
2	Estate Management	Reduction in bad debt provision	One-off	(0.037)	Reduce BDP % to 2.15% due to the introduction of software.
3	Landlord Services	Garden/Hedge Cutting	Recurring	(0.098)	New contractor, lower prices.
4	Management & Support	SLA Contributions	Recurring	(0.038)	Business Support/Contact Centre. Reduce contribution. £0.038m efficiency based on proposed contribution of £0.100m p.a. for Contact Centre.
5	Management & Support	Reduction of Health & Safety Officer	Recurring	(0.062)	Vacant post.
6	Management & Support	Finance SLA	Recurring	(0.044)	Reduction due to finance restructure.
7	Management & Support	Housemark	Recurring	(0.009)	Cancellation of subscription to Housemark.
		<b>Total revisions to HRA Funding</b>		<b>(0.306)</b>	

### Cost Pressures

No	Section	Description	Recurring/ Non-recurring	2020/21 £m	Narrative
1	Other Income	Reduction in water commission	Recurring	0.060	Reduction in commission received for collecting Water rates.
2	Other Income	Stepped Service Charge Increase	One-off	0.072	Full cost recovery increase stepped over 2 years
3	Garage Rent	Garages demolished in 18/19	Recurring	0.028	74 Garages demolished since last year's plan
4	Estate Management	Income team restructure	Recurring	0.035	Additional Income Officer.
5	Estate Management	Tenancy Enforcement	Recurring	0.030	CCTV, target hardening and enforcement action
6	Landlord Services	Servicing Contracts review	Recurring	0.113	Additional costs of contracts.
7	Repairs and Maintenance	Insurance	Recurring	0.050	Repairs and legal costs.
8	Repairs and Maintenance	Apprentice Budgets	Recurring	0.066	6 budgeted for however pressure figure calculated based on 9 trainees on a rolling basis.
9	Salaries	Ongoing impact of pay award	Recurring	0.212	Second year impact of pay award.
		<b>Total revisions to HRA Expenditure</b>		<b>0.666</b>	

		<b>Net Revenue Pressure 2020/21</b>		<b>0.360</b>	
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## 5.6 Staff and associated costs

The business plan includes 220.78 established Positions (FTE) within the Housing Revenue Account (including the Capital Works Teams) in 2020/21.

## 5.7 Housing Asset Management

Housing Asset Management (HAM) includes Responsive repairs, voids, WHQS and cyclical works and Disabled adaptations. Total FTE's for HAM assumed in the plan are 167.5. The revenue budget for 2019/20 is £8.907m (£1,223 per tenancy).

## 5.8 Estate Management

Estate Management includes Rents, Anti-Social Behaviour, Tenant participation and Tenancy management services. Total FTE's assumed in the plan are 34.91. The planned budget is £1.882m.

## 5.9 Landlord Services

Landlord Services includes all costs associated with service charges and landlord costs for communal buildings. Total FTE's assumed in the plan for Landlord Services are 7.00. The planned budget is £1.433m.

## 5.10 Management & Support Services

Management & Support Services include Finance and cash collection, I.T, member services, HR and Training, Legal, Insurance, Buildings, admin and corporate management costs. The FTE's assumed on the plan for Management & Support Services are 11.38. The planned budget is £2.637m.

## 5.11 Capital Financing

Financial Year	New Build Programme	WHQS	Regeneration	Total Borrowing Costs	Closing HRA Debt
2020.21	£9.455m	£1.300m		£9.027m	£147.823m
2021.22	£1.957m		£1.342m	£9.364m	£148.165m
2022.23	£7.505m		£2.200m	£9.523m	£154.907m

The deed to terminate the voluntary agreement for the HRA borrowing cap was signed on the 2nd December 2019, it is therefore important that going forward, increased borrowing in the HRA is carefully managed and monitored to ensure that it is sustainable and affordable to the business plan. Work will be undertaken to develop a set of treasury KPI's for the HRA to enable transparent monitoring of this going forward.

The capital programme for 2020/21 is £30.464m of which £17.914m is allocated to achieving the Welsh Housing Quality Standard, £1.104m to DFGs, £0.275m to Energy Efficiency and £11.171m to new builds.

## 6 MONITORING AND EVALUATION

Risk management plans have been developed for the WHQS programme and the SHARP new build programme, which are regularly monitored by the Housing and Regeneration programme board; the Scrutiny committee and the Council's Cabinet.

The risks below for the overall HRA is updated and monitored at the Housing and Regeneration Programme Board.

Ref	Description/Issue	Risk	Mitigation Act (MA) / Response Plan (RP)
1	MRA funding certainty - MRA is included within the HRA 30 year Business Plan at £5.0m per annum	MRA funding is only guaranteed year on year the risk is that MRA funding is not received	Ensure delivery of WHQS programme Fully complete Welsh Government MRA returns on a quarterly basis Lobby Welsh Government on need for MRA to continue to invest in the Housing stock Monitor and review at HRA Programme Board
2	Meeting the WHQS by 2020 - Delivering a significantly increased investment programme	Annual programme is not delivered to target Major supplier issues Contractor performance or contractor viability issues Loss of key staff Recruitment to delivery team Significant stock condition issues Tenant satisfaction falls	Effective contractor management Appoint sufficient resource in delivery team Develop a revised delivery team structure Appoint additional Tenant Liaison Officers Post inspection of completed work Stock Condition Survey in place Monitor and review at HRA Programme Board
3	Delivering the New Build programme by 2020	Limited availability of sites for development Introduction of new SUDS drainage guidelines by WG may impact on scheme viability Supply chain limitations experienced in North Wales for key trades	Integration of the Programme with the development of the Local Development Plan (LDP) and the housing strategy Integrated Communications Plan Design Procurement process to meet commissioning objectives More intensive site visits to be conducted on potential development sites Early feasibility investigations to be undertaken in respect of sites identified Concurrent work stream to liaise with highways; planning and street scene officers Monitor and review at HRA Programme Board
4	Introduction of charging for services	Quality and cost of services delivered Recovery of income Tenant satisfaction	Extensive tenant consultation Effective debt management arrangements Review of standard and cost of services delivered

			Monitor and review at HRA Programme Board
5	Maximising rental income particularly in light of ongoing Welfare Reforms	Poverty issues Increase in rent arrears Tenancy sustainment issues	Effective tenancy management Creative use of DHP Consideration to resource for tenancy sustainment Monitor and review at HRA Programme Board.
6	Meeting Annual Efficiency targets - Delivering the HRA efficiency plan ensuring savings targets are achieved	Efficiency targets not met Detrimental impact on service delivery Tenant satisfaction	Monitor progress through Council Housing Service Senior Management Team Service Plans and 1:1's Financial management and monitoring Monitor and review at HRA Programme Board
7	Proposed Rent review	Impact on HRA Business Plan Ability to deliver WHQS Ability to deliver New Build programme Impact on HRA services and sustainability	Ensure dialogue with Welsh Government Ensure representation on relevant National boards Modelling and risk management Monitor and review at HRA Programme Board
8	Emerging changes in the priorities for the carbon based economy	Potential impact on the investment planning for the longer term	To be determined

## 7 ACTION PLAN - KEY ACTIONS FOR 2020/21

The following actions will support the delivery of the priorities set out in this business plan:

1. Grow the housing stock by a minimum of 1,000 over the lifetime of the plan;
2. Maintain, sustain and build on the improvements delivered through WHQS investment; and
3. To be in the top quartile for performance and quality of service delivery.

The table below sets out the high level actions for 2020/21 to enable the delivery of the HRA within the framework of the priorities set out above, and also reflect the individual detailed service plans.

Action		Detail	Progress	Timeframe	Responsible / lead team
1	Inform and influence the wider Council's housing strategy development.	Develop a robust and intelligence led strategic framework to inform the delivery of new build, acquisitions and services.	Housing Strategy for 2019-2024 complete	Ongoing – delivery of the action plan	Housing Strategy
		To undertake strategic acquisitions to support local regeneration or other local priorities including meeting short/medium term demand	Five properties have been purchased under the strategic acquisition / right to buy back scheme. These are now tenanted in accordance with the demand from the SARTH register.	Ongoing	Business Performance Team Manager
2	Deliver community benefits as part of the WHQS and SHARP programme	To continue developing existing arrangements to identify and agree the community benefits to be delivered	Continue to monitor community benefits delivered in line with the Council's Community Benefit Strategy	Ongoing	Regeneration Manager
		To establish a process, in line with the Council wide strategy, to measure and capture community benefits.			
3	Develop and inform the energy efficiency strategy	Review and update the HRA response to the energy efficiency and sustainability	Awaiting results of the refreshed stock condition survey	April 2020	Capital Works Team Manager

		agenda in relation to new build and current stock.			
		Develop an investment and VFM approach to energy efficiency post WHQS	Review of all of the Energy Performance Certificates (EPC's) and the procurement of further EPC's to enable the Council to complete an in depth review of all Council properties falling under the SAP 65 threshold. Complete an action plan to address those properties below SAP65 detailing the level of investment needed to bring each property up to WHQS Standard. From this a post 2020 delivery plan can be considered in line with WG requirements (decarbonisation) to acceptable levels.	Ongoing	Capital Works Team Manager / Operations Manager
4	Develop and introduce a value for money framework	Achieve year on year efficiencies through a cost benefit approach	Delivery of the new Management structure	May 2020 onwards	All Managers
5	Improved IT capability for reporting including Open Housing and KPIs	Update the servers to enable the productivity module to be opened in Open Housing so individual work output can be monitored.	Awaiting feedback from software provider	April 2020 onwards	IT services

		Join up the IT and deliver a digital solution using apps to capture customer feedback – this may require some up front work with tenants to ensure they use the service but it aligns with the Council’s digitalisation strategy going forward. This follows the implementation of ‘My Account’	Digital strategy work ongoing	Ongoing work in 2020 to deliver digital solution	Housing Manager / Project Manager
		Analyse trends appearing in rent arrears	Mobysoft software has been implemented	Ongoing	Income Services
6	Improved understanding of asset base	Undertake/ update the stock condition survey	Tender due to be completed and our in house PDA total mobile solution is due to be implemented, once implemented Stock Survey information can be imported directly into the Housing Asset Management System (Open Housing).	Ongoing	Capital Works Team Manager
		Maintain stock data and asset register	As above	Ongoing	Capital Works Team Manager
		Review and assess the potential to realign existing housing stock to meet changing demands on the stock	As above	Ongoing	Capital Works Team Manager



		Develop a register of stock that has existing aids and adaptations which can be identified at re-let for most appropriate letting, to achieve better efficiency of existing stock.	The maintenance inspectors for voids are capturing any historical adaptations that have been undertaken. This is being captured and recorded into back office computer system.	April 2020 and ongoing	Operations Manage
7	To implement the Customer Involvement Strategy and Action Plan	<p>Improved understanding of customer satisfaction and involvement through a range of tenant support including:</p> <ul style="list-style-type: none"> <li>• Providing more opportunities for tenants to engage particularly through the development of local arrangements.</li> <li>• Helping tenants to resolve issues that affect them and help us ensure that tenant retain satisfaction in the quality of our services.</li> <li>• Improving and extending the range of communication options to ensure our tenants are informed, engaged and have the</li> </ul>		April 2020 and ongoing	Housing Manager

		<p>opportunity to challenge.</p> <ul style="list-style-type: none"> <li>Developing training programmes which encourage participation and encourages their involvement in the development of resilient communities.</li> </ul>			
8	Preventative work with vulnerable tenants to address rent arrears in conjunction with the Income Team	<p>Working across internal teams including the Income Team, Benefit Team; Housing Solutions; Housing Options and Housing Management, develop appropriate actions around the following areas:</p> <ol style="list-style-type: none"> <li>1. Lettings arrangements and tenancy allocation to vulnerable tenants.</li> <li>2. Early identification of arrears.</li> <li>3. Initial contact to tenants experiencing financial difficulties.</li> <li>4. Direct contact with tenants.</li> <li>5. Arrangements in place to support tenants experiencing financial difficulties.</li> </ol>	<p>12 month pilot completed looking at reducing the number of rent arrears in Council properties. The Housing Intervention Team consists of 4 officers (2 income officers and 2 Accommodation Support Officers) who target low level rent arrears below £600. This early intervention is intended to prevent evictions and higher rent arrears.</p> <p>Next stage is to produce an evaluation for the HRA to establish cost effectiveness.</p>	Evaluate effectiveness of 12 month pilot – reduction in rent arrears	<p>Housing Manager / Income Services / Housing Options</p> <p>Income Manager and Housing Strategy</p>
9	Proactive Neighbourhood Management	Regular meetings with other landlords and key partners, including the Police, as part of the monitoring of the	In progress	Ongoing	Housing Manager

		proactive Neighbourhood action plans.			
10	Customer satisfaction	Review resource management with the aim of ensuring we get it right first time, particularly in relation to the Call Centre.	Electronic trading with Travis Perkins has been implemented. The next stage is to develop electronic van stock replenishment ensuring correct materials to complete the job on first visit.	Ongoing monitoring of implementation of service	Business Performance Team Manager / Customer Services
		Implement customer satisfaction process for voids	There is to be a review of the void policy / procedure and customer satisfaction will form part of the review. The satisfaction survey will need to capture the complete customer journey from allocation of a property to start of tenancy.	March 2021	All Service Managers
		Undertake the STAR survey to benchmark customer satisfaction	Delayed due to management changes	To commence in April 2020	Service Manager / All Managers
		Use APSE to benchmark our performance and levels of customer satisfaction.	Performance is currently being reported on APSE.	Ongoing performance data sharing	Business Performance Team Manager
11	To deliver 50 new homes per annum to meet the demand of the social housing register	Ensure the delivery of new build adds value through addressing the pressures for certain housing types by basing development	Up to December 2019 a total of 114 new council homes were completed. A further 27 new council homes will be completed	Ongoing in line with the delivery plan	Housing Programmes Service Manager

		plans on intelligence.	during the remainder of the financial year ending March 2020. During 2020/21 45 new council homes are planned and plans for additional sites are progressing.		
12	Implement the Asset Plan	Develop a work programme for the boiler repairs; smoke detectors; carbon monoxide and electrical p.i.r to inform budget requirements.	Central Heating Boiler Programme will be completed once the PDA total mobile solution is implemented and the stock survey data uploaded. This will generate the Central Heating Programme automatically. Any boilers that do not reach their desired lifecycle (15 years) will be reviewed with regards to performance and renewed individually through e-repairs and maintenance service.	Ongoing work to feed into and develop housing programme	Operations Manager / Capital Works Team Manager
13	Review of aids/adaptation materials	Consult on framework value for money on specified and specialist materials	Work with managed stores to obtain best prices and suppliers.	To commence in April 2020	Operations Manager/Business Performance Manager.
14	Reduce void periods	Increase reporting of issues prior to property becoming empty.	Specifically garden clearance.  Develop a pre-termination	LEAN Review Ongoing	Operations Manager

		<p>Early identification of expected void and collaborative working to match to SARTH register demand</p> <p>Early engagement with tenants and enforcement of notification process</p>	<p>process to review requirements in the void property.</p> <p>Improved communications.</p> <p>Reporting on overall KPI's.</p>		
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Mae'r dudalen hon yn wag yn bwrpasol

# Eitem ar gyfer y Rhaglen 6



## COMMUNITY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Wednesday 22 <sup>nd</sup> January 2020
<b>Report Subject</b>	Welfare Reform Update
<b>Cabinet Member</b>	Cabinet Member for Corporate Management and Assets
<b>Report Author</b>	Chief Officer – Housing & Assets
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

Welfare Reform will, by 2020, have reduced expenditure on social security benefits available to low income working-age households by around £31<sup>1</sup> billion per annum.

Since 2012, Flintshire County Council, together with its partners, have been working to mitigate the full impacts of the reforms from falling upon vulnerable Flintshire residents, this report considers how we will continue to manage the impacts of the reforms introduced under the provisions of the Welfare Reform and Work Act 2016.

This report provides an update to Scrutiny on the impacts that Universal Credit 'Full Service' and other welfare reforms are having on Flintshire residents and the work that is ongoing to mitigate this and support these households. It also includes details of plans for the work that is required to continue to support Flintshire residents.

### RECOMMENDATIONS

1	That Scrutiny supports the report and the ongoing work to manage the impacts that Welfare Reforms has and will continue to have upon Flintshire's most vulnerable households.
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<sup>1</sup> The Welfare Reform Act 2012 introduced reforms that reduced expenditure on social security benefits by £19 billion pa and the Welfare Reform and Work Act 2016 is introducing reforms which will reduce expenditure by a further £12 billion pa.

## REPORT DETAILS

1.00	<b>EXPLAINING THE WELFARE REFORM UPDATE</b>									
1.01	<p><b>Removal of the Spare Room Subsidy</b>– More commonly referred to as the <b>Bedroom Tax</b>, this reform relates to restrictions to Housing Benefit or Universal Credit where the claimant is under occupying the property. The restrictions are:</p> <p>14% reduction to the eligible rent where a person living in a social landlord property, has one or more “spare bedroom”          25% reduction to the eligible rent where a person living in a social landlord property, has two or more “spare bedrooms”</p>									
1.02	<p>According to statistics provided by the Department for Work &amp; Pensions (DWP) as at August 2019, 21,591 recipients of Housing Benefit in Wales had a reduction to their weekly award. No equivalent data is currently published for Universal Credit customers.</p>									
1.03	<p>80% of Housing Benefit recipients in Wales were deemed to be under-occupying their property by one room.</p>									
<p><b>Impact in Flintshire</b></p>										
1.04	<p>At September 2019, a total of 610 households in Flintshire were subject to a reduction in their housing benefit payments as a result of the Bedroom Tax.</p>									
1.05	<p style="text-align: center;">Flintshire Households Affected by "Bedroom Tax"</p> <table border="1"> <caption>Data for Flintshire Households Affected by "Bedroom Tax"</caption> <thead> <tr> <th>Category</th> <th>14% Reduction</th> <th>25% Reduction</th> </tr> </thead> <tbody> <tr> <td>LA</td> <td>368</td> <td>110</td> </tr> <tr> <td>RSL</td> <td>106</td> <td>26</td> </tr> </tbody> </table>	Category	14% Reduction	25% Reduction	LA	368	110	RSL	106	26
Category	14% Reduction	25% Reduction								
LA	368	110								
RSL	106	26								
1.06	<p>136 households in Flintshire are subject to a 25% reduction in their weekly housing benefit payments and 474 households are subject to a 14% reduction in their weekly housing benefit payments.</p>									
1.07	<p>The reduction in Housing Benefit for people who are subjected to the Bedroom Tax in Flintshire equates to around nearly £10,500 per week which is over £500,000 per year.</p>									



1.08	This means that tenants affected by this restriction have to find this extra money to pay their rent.
1.09	The data here is limited to those tenants who still claim housing benefit. The Bedroom Tax is a restriction that also is applied to Universal Credit (UC), however the council does not have access to this data to be able to report the position.
1.10	An indication of the number of tenants affected in UC can be shown by the number of tenants on UC that have been supported via a Discretionary Housing Payment
1.11	As at December 2019 154 UC customers affected by the bedroom tax were supported with help towards their rent through a Discretionary Housing Payments.
	<b>Benefit Cap</b>
1.12	The total amount of annual 'out of work' benefit income which a 'working-age' household can receive is set at (figures for households outside of greater London): <ul style="list-style-type: none"> <li>▪ £20,000<sup>2</sup> for couples and lone parents (£383.56pw)</li> <li>▪ £13,400 for single claimants (£256.99pw)</li> </ul>
1.13	At August 2019 4,057 households in Wales were subject to a reduction in their housing benefit or UC as a result of the benefit cap being applied.
	<b>Impact in Flintshire</b>
1.14	At September 2019 206 households in Flintshire were subject to a reduction in their housing benefit or UC as a result of the benefit cap being applied.
	<b>Universal Credit</b>
1.15	At October 2019 the DWP confirmed 131,000 customers in Wales were in receipt of UC of which 34% were working. The number of customers working whilst in receipt of UC are comparable with those in the rest of the United Kingdom.
	<b>Impact in Flintshire</b>
1.16	At September 2019 the caseload for Flintshire customers in receipt of UC has increased by around 23% to 7,137 in a 6 month period.
1.17	In Flintshire the current UC caseload confirms 37.34% of those customers (2,665) are working which is above the national UK average.

<sup>2</sup> For information - in Greater London area the benefit cap is set at £23,000 for couples/lone parents and £15,410 for single claimants.

1.18	The Housing Benefit caseload has reduced by around 12% which is likely to reflect customers moving onto UC.									
1.19	As Flintshire was a pilot area for UC the impacts of this change have been more pronounced at an early stage when compared with other areas that moved onto UC later in the rollout programme. This reflects changes to UC as it was being developed in a 'live' environment, as such these impacts are likely to be more significant for the early go live areas.									
1.20	At November 2019 there were 575 Flintshire Council House tenants in receipt of UC of which 492 were in arrears.  The total amount of rent arrears for these tenants was approximately £564,293 which represents average arrears of £1,147.00 per tenant.									
1.21	The impacts on rent arrears are also being experienced by other Social Landlords within the county. One Housing Association confirmed that as at the end of June 2019, 331 tenants were in receipt of UC and that the arrears were £228,164.19 which represents average arrears of £689.31 per tenant.  Another reported 109 tenants in receipt of UC and the arrears are £44,938.30 which represents £412.27 per tenant.									
	<b>Help to Claim Service</b>									
1.22	From 1 <sup>st</sup> April 2019 DWP withdrew funding to Local Authorities to provide Universal Support (which consisted of personal budgeting and digital assistance) but instead Citizens Advice (England and Wales) and Citizens Advice Scotland have taken on the responsibility for delivering the replacement service which is called "help to claim process".									
1.23	The provision in Flintshire is being delivered by neighbouring Cheshire West Citizens Advice for 18.5hrs per week as follows:  <table border="0"> <tr> <td>Monday</td> <td>Mold Job Centre</td> <td>9.30 to 2.30</td> </tr> <tr> <td>Tuesday</td> <td>Shotton Job Centre</td> <td>9.30 to 2.30</td> </tr> <tr> <td>Wednesday</td> <td>Flint Job Centre</td> <td>9.30 to 2.30</td> </tr> </table> These sessions are to provide face to face, telephone and webchat support.	Monday	Mold Job Centre	9.30 to 2.30	Tuesday	Shotton Job Centre	9.30 to 2.30	Wednesday	Flint Job Centre	9.30 to 2.30
Monday	Mold Job Centre	9.30 to 2.30								
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1.24	There is currently no data available to us from Cheshire West Citizens Advice to understand the numbers of residents accessing their service so there is no evidence to indicate whether or not this is delivering satisfactorily for our residents									
1.25	There are, however, concerns about this model due to the limited support that is available to customers specifically around the support required with personal budgeting, which in UC is particularly significant to customers who may be entering work for the first time, or have been in receipt of benefits for some time, and for whom moving to one combined monthly payment poses a real challenge.									

1.26	Since the start of UC, the council has seen unprecedented demand on services in relation to managing their finances, navigating the UC online systems and supporting customers to understand their claims and challenge where necessary.
1.27	As the Help to Claim model does not include the personal budgeting support element and is only available to a limited group of customers up to the date they receive their first full UC payment. The council continues to provide this support to our residents via the welfare reform team
1.28	In relation to digital support, however, there has been a 74% reduction in the number of residents seeking this support from Connects offices. This decrease could be due to customers accessing support from the Help to Claim model rather than accessing support in the Connects offices.
	<b>UC “Managed Migration”</b>
1.29	Managed migration describes the transfer of existing legacy benefit claims to Universal Credit, where there has not been a change of circumstances that has resulted in a ‘natural’ transfer to Universal Credit.
1.30	<p>In March 2019 DWP announced that Harrogate was going to be the pilot area for a major trial of ‘managed migration’ due to its diverse range of customers.</p> <p>Harrogate was selected as it was one of the first areas to implement UC. The pilot will run for a minimum of 12 months so at the earliest this will end in July 2020.</p> <p>Being part of the pilot is optional for customers and only those who consent to moving to UC are being included.</p>
1.31	It is anticipated that the learning and evaluation from this pilot area will be shared in advance of ‘managed migration’ being introduced in Wales so that the council can be prepared to support those customers in readiness for the move to Universal Credit.
1.32	DWP have not issued any evaluation or findings of the pilot so far, but, have confirmed that the numbers of claimants in the trial are low.
	<b>Council Tax Reduction Scheme (CTRS)</b>
1.33	<p>Welsh Government have recognised that there is a national trend in reducing caseloads for CTRS in the last 2 years.</p> <p>In Flintshire the caseload has been steadily declining since 2013:</p>

	<p style="text-align: center;"><b>CTRS Caseload</b></p> <table border="1"> <caption>CTRS Caseload Data</caption> <thead> <tr> <th>Year</th> <th>Caseload</th> </tr> </thead> <tbody> <tr> <td>2014/15</td> <td>12,200</td> </tr> <tr> <td>2015/16</td> <td>11,800</td> </tr> <tr> <td>2016/17</td> <td>11,800</td> </tr> <tr> <td>2017/18</td> <td>11,150</td> </tr> <tr> <td>2018/19</td> <td>10,850</td> </tr> <tr> <td>2019/20 (at 30.11.19)</td> <td>10,600</td> </tr> </tbody> </table>	Year	Caseload	2014/15	12,200	2015/16	11,800	2016/17	11,800	2017/18	11,150	2018/19	10,850	2019/20 (at 30.11.19)	10,600
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1.34	<p>The reason for the reduction in people claiming is not clear, however, it is possible that the introduction of UC has impacted this in some way on the basis that there is a requirement to claim CTRS separately to UC rather than in one claim.</p>														
1.35	<p>The council has been actively promoting the scheme and to remind people of its aim to support residents who are finding making payments to their council tax a struggle based on low income or receiving benefits (including UC).</p>														
1.36	<p>Work is being undertaken through a combination of proactive and reactive methods with the aim of helping as many residents as possible. Some of the work that has been completed so far;</p> <ul style="list-style-type: none"> <li>• Leaflets are now included in all Council Tax reminder letters and they will be included with all Year-End bills</li> <li>• Proactive engagement to contact customers who are in arrears with their Council Tax and have previously been entitled to CTR</li> <li>• Data from Free School Meals is being cross-referenced to ensure that customers who are entitled also claiming CTR</li> <li>• Partnership work with other agencies such as Flying Start, Family Information Service and Care and Repair to promote the campaign</li> </ul> <p>Internal processes have been also been reviewed to ensure the complexities of UC do not make claiming CTRS more difficult.</p>														
	<p><b>Welfare Reform Team</b></p>														
1.37	<p>The Welfare Reform Team combines the administration of discretionary housing payment with general financial and holistic support for all customers inclusive of whether or not they are being impacted by Welfare Reforms and their objectives include:</p> <ul style="list-style-type: none"> <li>• Supporting people in crisis by improving income and employment opportunities</li> </ul>														

	<ul style="list-style-type: none"> <li>• Providing advice about reducing expenditure by Discretionary Housing Payment application and maximising income/benefit entitlement.</li> <li>• Help to provide short term solutions such as Discretionary Housing Payments to move home (where circumstances are appropriate).</li> <li>• Assist those with longer term solutions through budgeting advice and access to specialised support.</li> <li>• Promotional work around uptake of Discretionary Housing Payment and Welfare Support for residents subject to; Bedroom Tax, Local Housing Allowance rates and those residents who are under 35 years</li> </ul>												
1.38	<p>Support provided since April 2019:</p> <p><b>Table 1 April 2019 – November 2019</b></p> <table border="1"> <tr> <td>Safeguarding tenancy/prevent homelessness</td> <td>433</td> </tr> <tr> <td>Budgeting/Money Advice</td> <td>247</td> </tr> <tr> <td>Benefit check/maximise income</td> <td>38</td> </tr> <tr> <td>Priority bills/debts</td> <td>111</td> </tr> <tr> <td>Non Priority bills/debts</td> <td>51</td> </tr> <tr> <td><b>Total outcomes</b></td> <td><b>880</b></td> </tr> </table>	Safeguarding tenancy/prevent homelessness	433	Budgeting/Money Advice	247	Benefit check/maximise income	38	Priority bills/debts	111	Non Priority bills/debts	51	<b>Total outcomes</b>	<b>880</b>
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	<b>Discretionary Housing Payments (DHP)</b>												
1.39	Discretionary Housing Payments (DHPs) are payments that may be made by the Council to people that are receiving Housing Benefit or Universal Credit (Housing Element), but who may still need further financial help with their housing costs.												
1.40	<p>Between April and November 2019 789 DHP applications have been received:</p> <ul style="list-style-type: none"> <li>• 487 Universal Credit customers</li> <li>• 302 Housing Benefit customers.</li> </ul>												
1.41	Bedroom Tax remains the most common reason why a customer applies for help which as of November 2019 was 289 (36.5%) of the 789 applications.												
1.42	<p>Around 60% of applications are successfully awarded.</p> <p>The most common reason for an application to be refused is the customer failed to provide requested information or they had excess income.</p>												

2.00	RESOURCE IMPLICATIONS																																																				
2.01	<p>Reduction in the Discretionary Housing Payments Fund provided by DWP of £38,851 for 2019-20 means there is less DWP funding for residents in need of assistance (for HB and UC).</p> <p>The DHP budget for 2019/20 was £286,264.00 and as at the end of November expenditure was £227,408.94 which equates to 79.4% of the DWP allocation.</p> <div data-bbox="320 501 1286 1077" data-label="Figure"> <table border="1"> <caption>DHP 2019/20 Expenditure Data</caption> <thead> <tr> <th>Month</th> <th>Exp 19/20 (£)</th> <th>Predicted Exp (£)</th> <th>19/20 DWP (£)</th> </tr> </thead> <tbody> <tr><td>April</td><td>30,000</td><td></td><td>286,264</td></tr> <tr><td>May</td><td>60,000</td><td></td><td>286,264</td></tr> <tr><td>June</td><td>85,000</td><td></td><td>286,264</td></tr> <tr><td>July</td><td>135,000</td><td></td><td>286,264</td></tr> <tr><td>Aug</td><td>155,000</td><td></td><td>286,264</td></tr> <tr><td>Sept</td><td>170,000</td><td></td><td>286,264</td></tr> <tr><td>Oct</td><td>200,000</td><td></td><td>286,264</td></tr> <tr><td>Nov</td><td>220,000</td><td></td><td>286,264</td></tr> <tr><td>Dec</td><td></td><td>245,000</td><td>286,264</td></tr> <tr><td>Jan</td><td></td><td>270,000</td><td>286,264</td></tr> <tr><td>Feb</td><td></td><td>295,000</td><td>286,264</td></tr> <tr><td>Mar</td><td></td><td>350,000</td><td>286,264</td></tr> </tbody> </table> </div> <p>This expenditure trend is monitored in year to highlight any potential pressures which will be reported through budget monitoring processes.</p>	Month	Exp 19/20 (£)	Predicted Exp (£)	19/20 DWP (£)	April	30,000		286,264	May	60,000		286,264	June	85,000		286,264	July	135,000		286,264	Aug	155,000		286,264	Sept	170,000		286,264	Oct	200,000		286,264	Nov	220,000		286,264	Dec		245,000	286,264	Jan		270,000	286,264	Feb		295,000	286,264	Mar		350,000	286,264
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2.02	<p>Delivery of Personal Budgeting Support is no longer funded by DWP. However, Welfare and budgeting support will continue to be provided by the Welfare Reform Team due to the extra resources that have been secured for the next two years and a further financial pressure has been highlighted for year three.</p>																																																				
2.03	<p>The team will, with the additional resources, be able to identify, plan support and undertake pro-active activities to assist residents in order to mitigate welfare reforms up to the end March 2022</p>																																																				
	<p><b>Financial Implications</b></p>																																																				
2.04	<p>From April 2019, the DWP no longer fund the Council to provide Universal Credit customers with Personal Budgeting Support and Assisted Digital Support.</p>																																																				
2.05	<p>Demand for budgeting support continues to increase and will continue to be provided by the Welfare Reform Team to all residents who are affected by Welfare Reform not just those receiving Universal Credit.</p>																																																				

2.06	Flintshire Connects will continue to respond to ongoing demand for digital support for Universal Credit customers.
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<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>
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3.01	For some Flintshire households the financial impacts of Universal Credit is yet to be fully felt in terms of the time taken to receive the first payment of Universal Credit. However, the work of the services go some way to mitigate the negative impacts, as far practicably possible, and have been noted in the main report.
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3.02	The services assist residents in dealing with the financial pressures felt as a result of the implementation of Universal Credit. The teams work to directly target advice and support for any households throughout Flintshire whom, due to the impact of the ongoing welfare reforms, are at most risk of losing household income, facing increasing difficulties in maintaining their rent payments, and those at an increased risk of homelessness. The Welfare Reform Team support all any households irrespective of tenure type.
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3.03	Under the five delivery principles of the Well-being of Future Generations Act the Welfare Reform Team can have the following impacts:										
	<table border="1"> <tr> <td>Long-term</td> <td>Positive impact on longer term solutions to help people manage their financial commitment and sustaining their homes.</td> </tr> <tr> <td>Prevention</td> <td>Positive impact by supporting people out of poverty.</td> </tr> <tr> <td>Integration</td> <td>Positive impact by working with other organisations to promote positive changes.</td> </tr> <tr> <td>Collaboration</td> <td>As above</td> </tr> <tr> <td>Involvement</td> <td>As above</td> </tr> </table>	Long-term	Positive impact on longer term solutions to help people manage their financial commitment and sustaining their homes.	Prevention	Positive impact by supporting people out of poverty.	Integration	Positive impact by working with other organisations to promote positive changes.	Collaboration	As above	Involvement	As above
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	<b>Well-being Goals Impact</b>										
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More equal Wales	Positive - By supporting residents to move out of poverty this also contributes to enabling residents to fulfil their potential no matter what their background.										

	Cohesive Wales	No impact
	Vibrant Wales	No impact
	Globally responsible Wales	Positive –support residents to make simple changes such as reviewing energy providers and bank processes - such as the promotion of local credit unions.

<b>4.00</b>	<b>CONSULTATIONS REQUIRED/CARRIED OUT</b>
4.01	None.

<b>5.00</b>	<b>APPENDICES</b>
5.01	None.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<a href="https://www.gov.uk/government/news/citizens-advice-to-provide-support-to-universal-credit-claimants?utm_source=4f4a9ae5-2d1e-4c58-acad-f05b19d5849e&amp;utm_medium=email&amp;utm_campaign=govuk-notifications&amp;utm_content=immediate">https://www.gov.uk/government/news/citizens-advice-to-provide-support-to-universal-credit-claimants?utm_source=4f4a9ae5-2d1e-4c58-acad-f05b19d5849e&amp;utm_medium=email&amp;utm_campaign=govuk-notifications&amp;utm_content=immediate</a>
6.02	<a href="https://stat-xplore.dwp.gov.uk/webapi/jsf/dataCatalogueExplorer.xhtml">https://stat-xplore.dwp.gov.uk/webapi/jsf/dataCatalogueExplorer.xhtml</a>

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<b>Contact Officer: Jen Griffiths, Benefits Manager</b> <b>Telephone:</b> 01352 702929 <b>E-mail:</b> Jen.Griffiths@flintshire.gov.uk

<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	<b>Discretionary Housing Payment (DHP)</b> Discretionary Housing Payments (DHPs) are payments that may be made by the Council to people that are receiving Housing Benefit or Universal Credit (Housing Element), but who may still need further financial help with their housing costs.
8.02	<b>Eligible Rent</b> – this is the amount of rent (net of any ineligible services) that a claim for housing benefit or universal credit is calculated from.



8.03	<b>Housing Benefit</b> - helps tenants pay all, or part of their rent if they have a low income. Housing Benefit is administered by Local Authorities.
8.04	<b>Ineligible Services</b> – These are charges that may be included in rent that are not eligible for support through either housing benefit or universal credit. Such as: heating; lighting; hot water; meals.
8.05	<b>Registered Social Landlord (RSL)</b> - RSLs are not-for-profit organisations that aim to provide good, low cost accommodation.
8.06	<b>Spare Bedroom</b> – in the context of the spare room subsidy (or bedroom tax) this is where there are more bedrooms in the property than the household need. For example, a single person living in a two bedroom house would be deemed as having one “spare” bedroom.
8.07	<b>Universal Credit (UC)</b> – is an integrated means-tested benefit for people of working age whose income is below a specified minimum amount. UC can be claimed by working age people in and out of employment.
8.08	<b>UC Full Service</b> – in a full service area, UC will be claimed by all working age claimants who make a new claim for a means-tested benefit.
8.09	<b>UC Live Service</b> - access to UC within a live service area is controlled by an ‘eligibility gateway’ which, predominantly, restricts new UC claims being made unless the claimant is a newly unemployed single person.
8.10	<b>UC Managed Migration</b> – Managed migration describes the transfer of existing legacy benefit claims to Universal Credit, where there has not been a change of circumstances that has resulted in a ‘natural’ transfer to Universal Credit.
8.11	<b>Universal Support</b> – Helps claimants through every step of making a UC claim. Offers people comprehensive and practical support they need to get their first payment on time and be ready to manage it when it arrives. It has a focus on personal budgeting advice and digital support.
8.12	<b>Working Age</b> – for social security benefits ‘working age’ ends for both men and women at the female statutory retirement pension age. In May 2016 this is 63 years old. The female statutory retirement age is gradually increasing to equalise with men (65 year old) in October 2018. The pension age for both men and women will then increase to 66 in 2020.
8.13	<b>Welfare Reforms</b> – changes being introduced to a range of social security benefits and tax credits, which aim to ensure that the United Kingdom has an affordable benefit system.

Mae'r dudalen hon yn wag yn bwrpasol

# Eitem ar gyfer y Rhaglen 7



## COMMUNITY & ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Wednesday, 22 <sup>nd</sup> January 2020
<b>Report Subject</b>	Housing Rent Income
<b>Cabinet Member</b>	Cabinet Member for Housing
<b>Report Author</b>	Chief Officer (Housing and Assets)
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

This report provides Scrutiny members with the latest operational update on the latest position for rent collection during 2019/20, following the last report to Scrutiny committee in June 2019.

The latest position shows that by implementing the new technology in July 2019, designed to track and monitor rent arrears more quickly and provide earlier interventions, rent collection is continuing to stabilise and rent arrears are starting to fall. This is being achieved despite the ongoing welfare reform challenges and increasing number of council tenants being in receipt of Universal Credit.

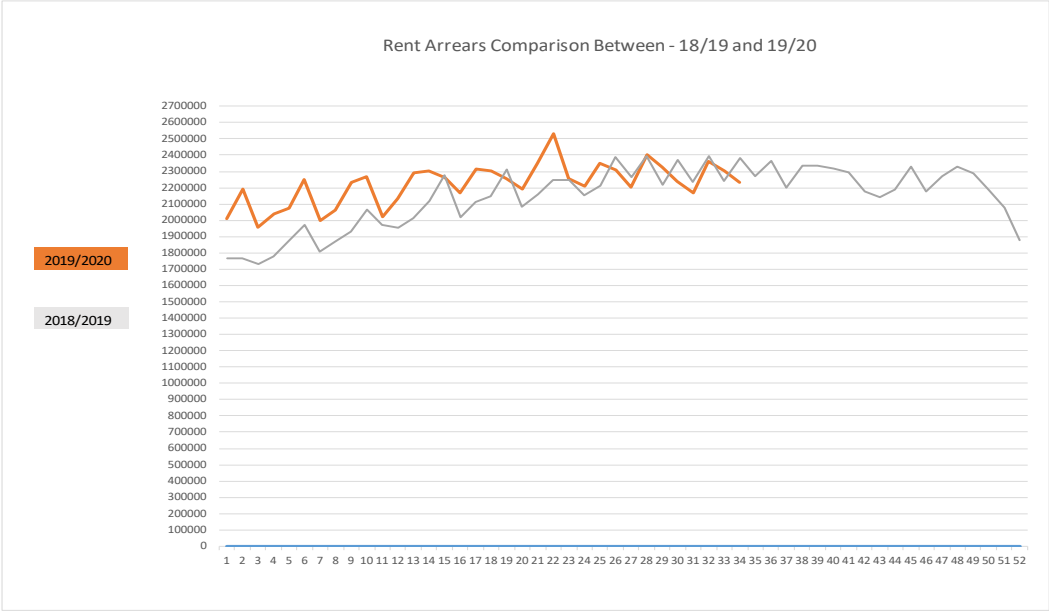
Total Rent Arrears in 2019/20, up to week 34 (up to Monday 25<sup>th</sup> November), were £2.23m, compared to £2.38m at the same point in 2018/19. This shows an improving collection position with overall rent arrears falling by £150k.

A further update, in the form of a verbal presentation, will also be provided at Scrutiny committee to ensure elected members also have the very latest rent collection position in mid-January 2020.

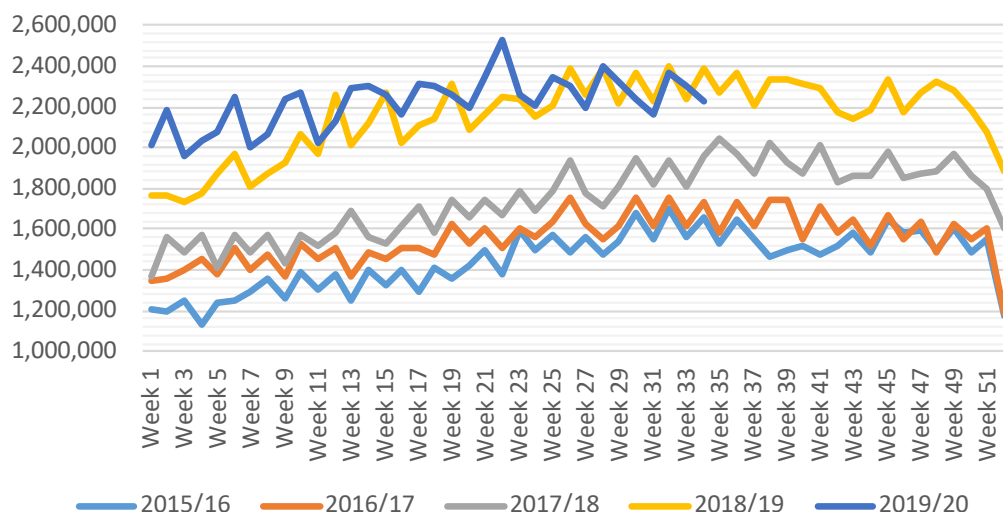
### RECOMMENDATIONS

1	Note the latest financial position for rent arrears in 2019/20 as set out in the report.
2	Endorse the intention to provide a further verbal report at the committee meeting to give scrutiny members the very latest rent arrears position as at early January 2020.

## REPORT DETAILS

1.00	<b>EXPLAINING THE LATEST POSITION OF RENT ARREARS</b>
1.01	Total Rent Arrears in 2019/20, up to week 34 (up to Monday 25 <sup>th</sup> November), were £2.23m, compared to £2.38m at the same point in 2018/19. This shows an improving collection position with overall rent arrears falling by £150k.
1.02	<p>The current position, compared to the previous year, is illustrated below:</p> 
1.03	Despite the ongoing challenges of increasing numbers of tenants migrating away from Housing Benefit to the Universal Credit system, the housing service has worked hard to challenge the inevitable impacts that most social landlords experience of rising rent arrears.
1.04	The latest collection position shows rent arrears have stabilised and no longer increasing as they have done in previous years since the introduction of UC full service.
1.05	<p>Steady progress is being made to reduce rent arrears and this is being achieved as a direct result of:</p> <ul style="list-style-type: none"> <li>• increasing resources</li> <li>• introducing an early intervention hub to assist those tenants at most risk of losing their homes</li> <li>• adopting a more robust stance around the importance of paying rent on time</li> <li>• investing in Mobyssoft 'Rent Sense' software</li> </ul>
1.06	The current position shows that for the first time since 2016/17, rent collections are improving and rent arrears reducing. This position is reflected on the trend analysis shown below:

Arrears Comparison 2015/16 - 2019/20



1.07 The table below also shows the latest rent arrears by claim type:

Claim Type	Num. of Tenants	Num. of tenants in Arrears	Total Arrears	Avg. Rent Arrears Nov 19	Avg. Rent Arrears Sept 19	Avg. Rent Arrears April 19	Avg. Rent Arrears Nov 18
UC	575	492	£564,293	£1,147	£1,203	£1,283	£1,473
HB	3,153	1,450	£325,311	£224	£213	£232	£334
Non UC/HB	3,409	2,250	£1,340,619	£596	£609	£565	£702
			£2,230,223				

1.08 The Revenues service continues to take legal action as a last resort against those tenants who fail to engage and fail to pay rent on time. In most cases, the initial court action results in regular repayment and tenants getting back on track with payment of rent, but on occasion, further follow-up legal action is necessary against those tenants who persistently fail to pay and who make little, or no effort, to pay on time, despite being ordered to do so by the courts.

1.09 With around 7,100 live tenancies, just 16 evictions have taken place so far in 2019/20 for serious rent arrears after all recovery remedies have been undertaken by the Council and only after the judicial system are satisfied that everything that can be done has been done to support the tenant.

Year	Number of Evictions for rent arrears	% Increase / Reduction
2019/20	16	-
2018/19	30	36.4%
2017/18	22	15.8%
2016/17	19	-13.6%
2015/16	22	-

1.10	The number of evictions up to 2019/20 year-end is expected to be much lower than the level of evictions in the previous year and this is testament to the joint work being undertaken across the Housing service to supporting tenants.
1.11	The successful deployment of the Mobyssoft 'Rent Sense' software solution in July 2019 is also helping the service to identify rent arrear cases quickly and earlier interventions are being put in place on a case by case basis to prevent arrears building-up but ensure tenants meet their payment obligations.
1.12	Consequently, the deployment of new technology is vital in two ways. Firstly, it is helping the Council to identify risk cases, increase collections and reduce bad debts. Secondly, it enables the Council to intervene much sooner and this results in the Council dealing with smaller amounts of arrears and the opportunity to work with tenants quickly to get back on track with their rent. Ultimately, this approach provides positive outcomes for tenants who are able to have sustainable tenancies.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	The deployment of additional resources and the deployment of Mobyssoft 'Rent Sense' are funded through the HRA Business Plan. These resources will be required in 2020/21 and in future financial years to mitigate the ongoing risks associated with increasing caseloads and the complexity of those caseloads, particularly for UC tenants.

<b>3.00</b>	<b>IMPACT ASSESSMENT AND RISK MANAGEMENT</b>
3.01	Like many landlords, the Council has experienced, and continues to see, a steady increase in workloads due to the rollout of UC full service in Flintshire in April 2017. Coupled with added complexities of helping tenants to manage these claims and pay rent time on time, the Council has faced significant challenges in managing rent income since the introduction of full service UC.
3.02	Prior to the investment in Mobyssoft 'Rent Sense' technology, the rent income service were filtering a long list of cases to determine which cases were paying on time and which were falling further into arrears. This was a manual process and highly resource intensive and as a result officers were unable to work through their caseloads each week, so tenants were not always being contacted promptly about arrears.
3.03	The successful deployment of the Mobyssoft 'Rent Sense' software solution in July 2019 is helping the service to become more efficient in how we use our resources, so we can manage the escalating workloads as a result of increased number of tenants in receipt of Universal Credit. Central to this aim is to give the rent income team the ability to manage and prioritise those cases at most risk of not paying rent on time.

3.04	Rent Sense is now helping the Rent Income service to collect more of the rent that is due to the Council by a process geared around earlier interventions, while helping tenants to manage debts at the earliest opportunity, and avoiding rent debts from reaching un-manageable levels.
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<b>4.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
4.01	None.

<b>5.00</b>	<b>APPENDICES</b>
5.01	None.

<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
6.01	<ul style="list-style-type: none"> <li>• Housing (Wales) Act 2014</li> <li>• Welfare Reform Act 2012</li> </ul>

<b>7.00</b>	<b>CONTACT OFFICER DETAILS</b>
7.01	<p><b>Contact Officer:</b> David Barnes, Revenues Manager  <b>Telephone:</b> 01352 703652  <b>E-mail:</b> <a href="mailto:david.barnes@flintshire.gov.uk">david.barnes@flintshire.gov.uk</a></p>

<b>8.00</b>	<b>GLOSSARY OF TERMS</b>
8.01	<p><b>Universal Credit (UC):</b> is an integrated means-tested benefit for people of working age whose income is below a specified minimum amount. UC can be claimed by working age people in and out of employment and UC combines six legacy benefits, including Housing Benefit, into one single payment which is administered by the Department of Work and Pensions</p> <p><b>Welfare reform:</b> these are wide ranging changes which were introduced by the UK Government to reform a range of social security benefits and tax credits which aim to ensure the UK has a more affordable benefits system.</p> <p><b>Housing Revenue Account (HRA):</b> The Council is required to keep a HRA account to record all income and expenditure relating to the provision of local authority social housing, All rental income must be held within a ring-fenced HRA fund. This means that HRA income from rents can only be used for council housing purposes and not for other general council expenditure. This also allows the rental income to be invested back into council housing to help improve the standard of the stock of council housing and also build new council housing.</p>

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