
The Carmarthenshire Homes Standard Plus: Delivering What Matters 2017-2020

December 2016

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The Carmarthenshire Homes Standard *Plus* (CHS+) means....

- A standard that continues to evolve; improving the quality of housing and services for tenants and residents in Carmarthenshire. This will be done by focusing on what matters, within available resources.
- A flexibility to deliver our vision around affordable homes and maximise opportunities as they arise.
- Delivering as many wider benefits as possible to get the biggest impact from investments.

Did you know...

- We now manage over 9,000 homes.
- We plan to build over 60 new build homes over the next 12-18 months, with more to come.
- There are about 7,000 households on the Housing Choice Register.
- We get about 1,100 empty homes a year between ourselves and Housing Associations.
- We have carried out over 25,000 repairs to 7,000 tenants' homes during last 12 months.
- Tenants will pay over £36m every year in rent.
- This plan will see a total investment of over £55m to improve existing homes and increase the supply of affordable homes.

Introduction- Executive Board Members

The last year has been extremely busy as we continued to deliver services and projects that really matter to people.

We are all aware of our significant, and proud achievement, of delivering the Carmarthenshire Homes Standard *PLUS* (CHS+) during 2015 to homes where tenants agreed to have the work carried out. As we have said, however, this is not the end of the journey. Far from it, we have been working hard over the last 12 months to do more and this plan sets out how we will do this over the next three years. We want to build on what has already been achieved and be as ambitious as we can.

Supporting tenants and residents is still a key theme within the plan. Here, we set out how we will deliver what matters in terms of improving services, how we are dealing with welfare reform issues and how we will be saving tenants money in their home. In the next 12 months we will also be publishing the results of our health impact study that will demonstrate the impact our investment is having on people's health and well-being.

We have agreed to maintain homes to the CHS+. Over the next three years we will be investing over £25m improving homes and maintaining the standard. We will also take advantage of any new opportunities that become available to support this.

We will be looking at opportunities to improving the energy efficiency of homes. This is really important to ensure homes are as cheap to run as possible and also improve people's health and well-being.

Finally, we continue to deliver our commitment to increase the supply of affordable homes. We again focus on a range of solutions to do this, investing over £30m. This will include our council new build programme that will see at least 60 new homes built over the next 12 to 18 months. We are also planning to establish a Local Housing Company that will significantly add to our ambitious targets by delivering even more affordable homes.

The agenda continues to be exciting, yet challenging, and we will only be able to achieve the above by continuing to work together, focusing on what really matters to make the difference in our communities.

We look forward to your continued support.

Cllr. Linda Davies-Evans
Executive Board Member
for Housing

Cllr Hazel Evans
Executive Board Member
for Technical Services

Cllr David Jenkins (Deputy
Leader)- Executive Board
Member for Resources

Delivering THE CHS *plus* – The story during 2016/17

Having achieved the CHS+ last year, our focus this year has been on:

a) Replacing components where we know there is a need to maintain the standard (where tenants wanted the work carried out)

Area of Work	Number of homes that already met the Standard at start of year	Number of homes where work needed to be carried out to maintain standard	Have we maintained the standard during the year?
Roofing	8815	139	☺
Windows & Doors	8953	0	☺
Loft insulation	8357	0	☺
Cavity insulation	8777	0	☺
Smoke Detectors	8725	143	☺
Electrical Systems	8456	143	☺
Central Heating	8112	173	☺
Kitchens	8132	215	☺
Bathrooms	8250	216	☺
Security Lighting	8406	143	☺
CO Detectors	8482	143	☺
Power Points	8404	143	☺
Wall finishes	8808	146	☺

b) Work to support tenant's and residents in their homes and communities

Area of work	Examples of type of work
Gas infrastructure	Gas connections to tenant homes
Empty Homes	New kitchens and bathrooms
Adaptations	Stair lifts, handrails and wet floor showers
Energy Efficiency	Insulation
Environmental improvements	Car parking and demolition of garages

c) Delivering the affordable homes delivery plan- nearly 170 additional homes

Affordable Home Solution	Number of additional homes delivered
Increasing the existing council stock	45
Empty Homes back into use	25
Managing homes in private sector	25
New Build (Council and HAs)	0- But plans approved by Council
New homes through developers	15
New Housing Association homes	59

Homes where work has not been carried out

There are some homes that are defined as meeting the standard, but some or all of the work has not been carried out. These are called “acceptable fails” by the Welsh Government. A home can fall into this category if:

- Tenants have chosen not to have the work done because they were happy with their homes, have made their own improvements or some, particularly older tenants, do not want the disruption. This is the main reason why homes do not currently meet the standard.

Area of work	Number of homes where work not done because of tenant choice	Number of homes where work not done because we are demolishing	Number of homes that we use for non-residential purposes e.g. Family Centres
Roofing	0	29	20
Windows and Doors	1	29	20
Loft Insulation	597	29	20
Cavity Insulation	177	29	20
Smoke Detectors	86	29	20
Electrical systems	355	29	20
Central heating	669	29	20
Kitchens	607	29	20
Bathrooms	488	29	20
Security lighting	405	29	20
CO Detectors	329	29	20
Power points	407	29	20
Wall finishes	0	29	20

During 2016/17 we re-contacted all tenants who previously said they do not want the work carried. The vast majority have told us they still do not want the work carried out. Later in the plan we say how we will go about resolving this.

Additionally....

- There may be a particular point in time where a small number of homes need major work and it will be of no benefit to invest in. In these circumstances, we will review options and decide action e.g. our plans to sell the Brynmefys site, Llanelli.
- There are some of our properties that are used for non- residential purposes but have a significant impact on the community e.g. Family Centres, Tenant Resource Centres and Police Stations.

Health and well-being

We have had results during 2016 on tenants' own views on living in their home and the use of health services (our first survey was carried out in 2009):

- 87% of tenants now feel that their home suits their needs (up from 73% in 2009)
- 59% of tenants now find it very/fairly easy to meet the costs of living in their home (up from 34% in 2009).
- 28% of tenants did not visit their GP in the previous 3 months (up from 17% in 2009).
- 71% of tenants said they had used the health service in the last 12 months (down from 82% in 2009).

During 2017 we will publish the results of our major health impact study¹. Our aim was to study whether the £200m investment in tenant homes has led to better health for people. To do this anonymised information about tenants was linked to their homes, and hospital visits. We looked at emergency hospital visits because of injuries, such as falls in the home, breathing difficulties, or heart and circulation problems.

Initial results suggest housing investment and improving standards are related to a reduction in emergency hospital admissions. We will share this information in much more detail during 2017 and also include how the investment can result in value for money for the health service.

Tenant Satisfaction

In 2014, we also started asking tenants a number of questions about the services we provide. We repeated this during 2016 with nearly 2,000 tenants responding. The results showed that:

- Nearly 75% of tenants were very/fairly satisfied with the overall service provided.
- Nearly 75% were very satisfied/fairly satisfied with current state of repair of their home.
- Over 88% were very/fairly satisfied with their neighbourhood as a place to live.

These satisfaction rates are very similar to when we last asked the questions in 2014. Consequently, **we will** work with tenants in the next 12 months to better understand why these rates have stalled and what we need to do to further improve them.

Job and training opportunities

Since the start of the programme, over 200 apprenticeships have been delivered. Targeted recruitment and training has been a priority with all contractors engaging in the region's Shared Apprenticeship Scheme.

¹ In conjunction with Swansea and Cardiff Universities funded through Public Health Research programme

As part of the work to maintain the standard and deliver more affordable homes, we will continue to be pro-active in expecting contractors and/or development partners to maximize the benefit of our investment through creating training and employment opportunities for local people. We have signed up to the Welsh Government's Community Benefits Measurement Tool to assess progress in the future.

Understanding what matters....?

As we talk to people about the housing service, they tell us what matters to them.

Tenants' lives

General feedback from tenants this year continues to tell us that our current priorities are still really important. Tenants wanted us to ensure that:

- We continue to support them in their home, and their home and surrounding area is a safe environment e.g. the Time Credit Scheme and Fuel Clubs.
- We maintain standards and are proactive in the day to day repair service.
- We continue to provide more homes as this was important to their families.

Older tenants again talked about social isolation, loneliness and opportunities to remain active through community based activities that give them more confidence and build relationships.

We are listening to older people, and the older people of the future, by asking them what is, and will be, important to them in terms of accommodation and support. This is helping us understand the type of investment that will be needed in our older people's housing.

Younger tenants again told us that we need to get the most out of CHS+ delivery through jobs and training opportunities. They also want to see more digital services introduced to make it easier for them.

Also this year, tenants said they wanted to see improvements to the grass cutting service. As a result **we will** be reviewing the grass cutting service provided to tenants to see what options are available and what will be the cost.

Enabling tenants to pay their rent

Rent arrears have reduced over the last 12 months. This has been achieved through focusing our efforts on supporting and trying to engage with tenants. We face real challenges and pressures brought on by welfare reform, affecting some tenant's ability to manage household budgets. A partnership group is looking at ways to manage the roll out of welfare reform. This will be really important because we know that:

- Around 38% of our tenants who work are in receipt of some form of benefit.
- March 2018 will be a critical point in time when 3500 of our tenants begin to move across to Universal Credit.

It will also be important not to forget about other tenants, however, as many face similar challenges in managing household budgets. We recognise that we need to ensure all our tenants can manage their household budgets and, as a result, can maintain their tenancies.

Maintaining tenants' homes

Tenants regularly tell us that getting repairs done on time and maintaining homes to a good standard is important to them. We have already stated our commitment to maintain the CHS and this is now a statutory duty.

During the last 12 months, staff and tenants have been taking part in a review of the Repairs service. Last year tenants and staff established what good looks like for the Repairs service. This included things like:

- Having an appointment at a time that suits tenants.
- Keeping tenants informed of what's happening with their repairs.
- Staff having more time to communicate with tenants.

As a result, we launched a small pilot in the Seaside area during 2016. Officers from the Communities, Environment and Chief Executives Department set up a multi skilled team to deal with responsive and preventative maintenance. This has shown really positive results throughout the year and we would now like to extend this work to a wider area during 2017.

Tenant Engagement

We plan to review our overall approach to tenant engagement during 2017. We want to ensure that we work with tenant and residents to better understand what matters to them. We will then set up ways of engagement that better reflect what is needed and has a benefit to all involved. This will involve looking at:

- how tenants make decisions about how their rent is spent.
- how tenants are involved in identifying and implementing service improvements.
- how tenants are at the centre of developing further improvements to the CHS+.

Housing and Regeneration

We are currently working on a number of exciting projects with regeneration colleagues. This partnership will continue and develop even further. Examples include:

- Making sure all our plans deliver as many wider benefits as possible, particularly jobs and training.
- Being key partners in the Regeneration Action Teams across the County.

And more specifically....

- Delivering the Affordable Homes Plan and how it can help in wider regeneration e.g. Opportunity Street in Llanelli.
- Working with the Swansea Bay City Region on improving the energy efficiency of homes, both public and private, by influencing the supply chain.
- Understanding the impact a Local Housing Company can have in regeneration.

The CHS *plus* moving forward

Table 1 (on the next page) provides a summary of the current CHS+ will and what the key principles are to support its delivery. We will deliver the CHS+ through three main themes.

Supporting tenants and residents

Welfare reform

The welfare reform programme brings many challenges and changes for tenants with the focus on training and employment instead of benefits. To support this **we will:**

- Be the first point of contact for advice and practical help for tenants, and prospective tenants.
- Provide pre-tenancy support and identify, at an early stage, those tenants who may struggle to make their rent payments on time.
- Provide targeted support and advice to tenants that are directly impacted by the changes, working closely with other agencies.
- Work in partnership with Job Centre Plus on the roll out of Universal Credit.
- Help tenants maximise their income and manage their household budgets.
- Provide a range of convenient payment options to make it easier for tenants to pay their rent.
- Produce a plan on how we will deal with single people's accommodation and support, particularly for the under 35's affected by Welfare Reform.

Getting services right

Tenants sustaining their tenancies, repairs in the home, grass cutting and the environment in which they live are a few examples of what tenants have been telling us what really matters. We need to make sure we deliver services that focus on the right things. **We will:**

- Review how we deliver housing advice, tenant sustainability and enforcement services for our tenants, and prospective tenants.
- Roll out the new way we deliver repairs to more areas in the County.
- Carry out regular estate inspections and walkabouts.
- Develop our vision for tenant engagement.
- Develop a range of options which reward tenants to look after their home.

Table 1- Defining the CHS+ and its key principles

THE CHS+ MOVING FORWARD WILL:	
Support tenants and residents by:	<ul style="list-style-type: none"> • Making sure they live in safe and attractive environments. • Providing housing services that are well managed. • Providing homes suitable for the household.
Invest in tenant homes to ensure they are:	<ul style="list-style-type: none"> • In a good state of repair. • Free from damp. • Structurally stable.
Provide more affordable homes by:	<ul style="list-style-type: none"> • Building new homes. • Buying existing homes. • Managing homes in private sector. • Bringing empty homes back into use. • Making the best use of developer contributions.
<p>The above themes will be supported by the following key principles. We will:</p> <ul style="list-style-type: none"> • Work to maintain and improve the CHS+ by delivering value for money i.e. we reduce costs as much as we can while maintaining quality, and we spend on things that matter to tenants. • Maintain the CHS+ to tenants' homes, and the communities in which they live, as the first priority in spending money. • Understand what the CHS+ should look like in the future by asking tenants, members and other key partners. • Deliver as many wider benefits as possible. • Fully understand, and evidence, the condition of our assets and what this means for what we spend money on in the future. • Consider whether certain homes require a different standard, based on what tenants require in the future. • Make sure we spend money on assets that will benefit tenants in the future and not spend on things that have no future use or are too expensive to maintain. • Replace key elements of the standard e.g. kitchens and bathrooms, based on the need to do so. • Inspect all homes to see if elements actually need replacing, well in advance of when we think they might need replacing. • Where homes have not achieved the standard, discuss with the tenants (and prospective tenants) when, if at all, they would like the work carried out. • Make sure tenants have a clear understanding on how we are maintaining the CHS+. 	

Saving tenants money

Over the last 8 years we have made improvements to our tenants' homes that will help to reduce their carbon emissions and save them money. Fuel poverty (where people spend more than 10% of their income on fuel bills) remains a major issue for many families. To continue to address this and further help tenants sustain their tenancies **we will:**

- Promote a range of options to support tenants in tackling fuel poverty.
- Raise awareness about how things work in the home and how they could be used differently to save money.
- Deliver a trial project on the use of LED lighting in the homes.
- Introduce LED lights to all communal areas to reduce future service charge costs to tenants.
- Work with the energy providers to introduce smart meters.
- Continue to increase the number of Fuel Clubs where there is no mains gas supply.

Insert Fuel Club Story

Digital services

People have also been telling us that there is more we can do to help them use, and have access to, digital services, e.g. using phones, TVs or computers to access information and services.

To do this, **we will:**

- Work with tenants, particularly younger ones, to ask what services they would like to access through the internet.
- Develop access for tenants to view their rent account, outstanding repairs and housing applications online.
- Make sure our own systems are developed to deliver better information for tenants.
- Produce a longer term digital services plan.

Improving the CHS+ in the future

We do not want to standstill with the CHS+ and will look at every opportunity to improve it. We fully realise, however, that this cannot be done without fully engaging tenants, members and partners on this.

We will:

- Start the process of asking tenants, members and partners what improvements they would like to see to the CHS+.

Investing in tenants' homes

Knowing what we need to do

We have made a clear commitment to maintaining all homes to the CHS+, to further improve it and look at new opportunities when they arise.

To do this, we need to clearly understand what we need to do, when we need to do it and how much money we will need. During 2016 we have started an exercise to provide even more certainty around this.

We have:

- Reviewed and challenged our current stock information and future costs to maintain the CHS+ (this work will continue and be subject to detailed scrutiny).
- Confirmed how we can go about replacing things like kitchens and bathrooms on the need to do so, not time.
- Identified where we have gaps in our current information which we need to fill.
- Confirmed ways in which we can carry out a check to all our homes on an annual basis using existing visits by service contractors, housing officers, sheltered scheme officers and repair inspectors/tradespeople. This will include a basic check, more in-depth targeted visits as well as more technical visits to look at the condition of homes.

As a result of this work **we will:**

- Continue to deliver our ambitious plans to maintain and improve the CHS+ in tenant's homes as well as increasing the supply of new affordable homes, including new build.
- Inspect all homes where kitchens, bathrooms etc are due to be replaced; replacing the ones we need to.
- Carry out specific stock condition surveys in areas where there are currently gaps in information.
- Carry out a 20% survey every year to make sure our stock information is up to date, prioritising homes where we know the age of some components means they may need replacing. This will result in us surveying all homes over the next five years.
- Carry out a basic check to all homes on an annual basis through our existing visits.
- Carry out a more in-depth visit to homes where there are potential issues in terms of condition, tenancy or welfare issues.

Maintaining the standard- what work will we be doing?

Based on the information we currently have, we know the following work may be required to maintain the standard over the next three years. We are inspecting these homes/estates prior to any work being carried out.

Type of work	Details
To maintain the standard:	
Internal work- kitchens	Work to 203 homes
Internal work- bathrooms	Work to 182 homes
Electrical upgrades	Work to 118 homes
External Wall finishes	New wall finishes 1077 homes
Roofing	Replacement roofing to 439 homes
Planned boiler replacements	Boiler replacement to 229 homes
Improvement works on estates e.g. boundary and retaining walls	Improvement works that have been identified as requiring attention
Work to empty homes	Bringing empty homes up to CHS+
Other work:	
Investment in sewerage plants	Eight sites to be upgraded
Environmental works on estates	Estate improvements based on requests from tenants

After inspecting, **we will:**

- Inform tenants, through publishing a planned programme of work, what work is due to be completed.

Energy Efficiency work

We will continue to make sure that our homes are as energy efficient as possible. We acknowledge that we need a better understanding of what energy efficient measures will deliver cost effective improvements to homes. Our current average energy rating is above 65 but we want to do better.

As a result we will:

- Survey a sample of homes that do not currently have an energy rating of above 65 in order to understand what improvements will have the biggest impact.
- Develop an investment plan for future energy efficiency measures to our homes.

Identifying further work

We know we have current gaps in our stock information that we need to fill. In this plan we have set aside money to start to carry out work to more structural or major work issues in homes and on estates e.g. floor structures in homes, retaining walls or replacement of communal boilers in sheltered schemes.

We have identified, however, that further work is also required around things like gardens and outbuildings, canopies and porches, communal staircases and paths and “catwalks”.

As a result, **we will** carry out specific surveys to understand what, if any, future investment needed.

Approach to homes not meeting part, or all of, the standard

We have seen that some tenants have declined the work and still do not want the work carried out. In order we ensure that all homes are brought up to standard over time. As a result **we will** review our strategy to bring homes up to standard where work has not been carried out.

In the meantime **we will**:

- Carry out CHS+ works when the property becomes empty. We anticipate this will be 10% of all empty homes every year.
- Set aside a small amount of money to deal with any ad hoc requests because tenant circumstances have changed.

Providing homes suitable to tenants needs'

We want to continue to ensure that we have the right homes with the right facilities, of the right type and in the right area.

We have already established that there is a shortage of affordable homes in the County, but sometimes we have difficulty allocating some of our existing homes. This means looking at all our existing homes and making sure we spend money that will be of benefit to tenants, and prospective tenants.

In this plan, **we will**:

- Continue to invest in adapting homes to suit the needs of tenants.
- Understand future investment needs for our sheltered housing stock, linking in with our Care Home development programme.
- Complete options appraisals on sites that may need changing/ converting into homes that can better meet housing need.
- Consider demolishing homes, or disposing of them, if they are no longer fit for purpose. This will include if it does not make financial sense in keeping them or if they are no longer desirable. The site can be recycled for new, more appropriate uses or sold.

Selling land where there is no purpose holding on to it

We have housing land located across the County. We have now identified the land that is suitable for providing more affordable homes. These areas of land are included in our Affordable Homes Delivery Plan.

We will also look to purchase land if it meets our long term plans in delivering more affordable homes.

Additionally, there will be land that has been identified that we no longer need and/or is too expensive to keep. The disposing of this land helps us to generate an income which will further supports the delivery of the CHS+. Consequently, **we will** continue to dispose of land we no longer need.

Garage sites

Over the last 18 months we have been working hard to ensure the information we hold on garage sites is correct. We have also gathered the views of those who currently use them.

We have now moved the management of all garage sites to Housing Services and have started the process of looking at the preferred options for future use. In doing so we have taken on board the views of tenants and residents, the cost of bringing them up to standard and on-going maintenance.

So far a total of 25 sites have been demolished and we have assessed 96 out of the 169 sites. We will continue with this work as part of this plan that **will result in:**

- Completing the assessment for each site with an appropriate plan of action.
- All remaining garage licences being on new legal agreements, with appropriate rentals being charged.

Taking new opportunities

During the duration of this plan there will be new opportunities to look at things differently and/or funding becomes available to enable us to further improve the CHS+.

We have already said we will be engaging with tenants, members and partners to look at further improvements and better understand improved energy efficiency measures. One opportunity that we are currently working on, however, is with the Swansea Bay City Region to improve the energy efficiency of existing and new homes. This could see further significant investment.

We already know from tenants that warmer and cheaper homes to run really matters to them. Consequently, we will be firming up these exciting plans in the next six to 12 months and looking at some homes where we could go back and re-fit some additional energy measures.

We will:

- Continue to work with Swansea Bay City Region on these plans.
- Continue to be pro-active in looking at new, and innovative ways, to invest in our homes.

How will we know we are maintaining the CHS+?

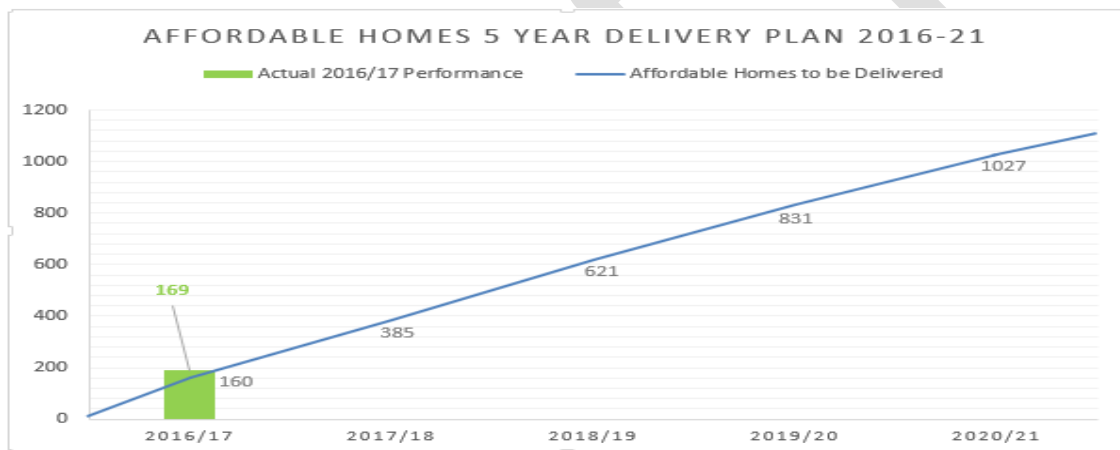
We will do this by:

- Using our stock condition visits (20% every year) to independently assess progress.
- Asking tenants how they would like to be part of this process.

Providing more homes

Affordable Homes Delivery Plan

This plan enables us to continue our commitment to deliver additional affordable homes. Our delivery plan aims to deliver over 1,000 homes and invest over £60m into our communities. More than £31m of this funding comes directly from the HRA. The following graph sets out our affordable homes targets year on year.



We have delivered 169 homes in the first year, with a target of 670 homes over the next three years. **We will:**

- Continue to deliver a range of solutions in providing additional homes (buying homes in private sector, managing private sector tenancies, bringing empty homes back into use, new build and developer contributions).
- Take advantage of external funding opportunities to accelerate our delivery.

Council new build- Phase 1

We have already confirmed delivery of over 60 new council homes on the following sites:

- Dylan in Bynea
- Garreglwyd in Pembrey
- Maespiode in Llandybie
- Pantycelyn in Llandoverly

As a result of managing our own money and accessing additional Welsh Government funding we have already exceeded of our original new build target (45,) but we want to do even more. During the period of this plan we want to secure funding to deliver a further 68 homes at:

- Y Waun in Pemberton
- Nantydderwen in Drefach
- Gwynfryn in Ammanford

Consequently **we will** bring forward the above sites when funding is confirmed.

Housing Association new build

By working with our Housing Association partners, and maximising the use of Welsh Government funding, we will be able to deliver over 250 new affordable homes.

We will continue to be pro-active in bringing new homes, and investment, into the County.

Taking new opportunities

Whilst the above clearly demonstrates that we are on course to deliver our original targets we believe we can do potentially much more over the period of this plan.

We can do this by looking at developing Phase 2 of our own council new build programme so that we are ready to take advantage of our own money that could become available or external funding opportunities. Phase 2 will mean that we will need to source land in the areas of highest housing need, as we have largely exhausted our own HRA in terms of development opportunities. This will mean sourcing existing Council Fund, other public sector or private land.

Secondly, we had already committed to looking at alternative vehicles to deliver significantly more homes than our present target. This will also increase the range of housing options that are available around affordable homes.

We are developing a business case to establish a 100% owned Local Authority owned Housing Company. This will be considered by Council in the near future.

We will:

- Develop Phase 2 of our Council new build programme.
- Establish a Local Housing Company to deliver significantly more homes, subject to approval.

How we will pay for this

Planning Assumptions

To help us plan our investments, we must make certain assumptions.

Changes to our assumptions may mean that we have to re-visit the objectives included in this plan.

INCOME

Major Repairs Allowance (MRA) <i>i.e. the amount of capital funding we get from the Welsh Government</i>	£6m each year. This is on the basis that we receive £673 for each home.
Rent increase 2017/18	2.5% (based on rent policy of September inflation figure (1%) plus 1.5%.
Future rent increase levels <i>Based on Welsh Government Policy</i>	Rent increases continue in line with current policy.
Borrowing <i>i.e. the amount we need to borrow to support our investment</i>	Additional £15m over next 3 years

OTHER

Expenditure/income inflation	Employees' pay at 1% per year for the next three years (as per assumptions for Council Fund).
Right to Buy receipts <i>i.e. Money we get from tenants' buying their home</i>	No receipts from 1 st April 2015 following suspension of Right to Buy
Balances on the revenue account <i>i.e. the amount of money we need to keep in reserve</i>	Minimum of £1.35m (based on £150 per property)

SPENDING

Assumed Borrowing costs <i>i.e. the amount it costs to borrow money</i>	Cost of existing and new debt: 2017/18: 4.46% 2018/19: 4.28% 2019/20: 4.13%	Cost of exiting HRAS: Average of 4.19%
Provision for Bad debt <i>i.e. debt that we will be unable to recover</i>	2017/18: £500,000 2018/19: £530,000 2019/20: £562,000	

Efficiencies

We will be carrying out a detailed exercise during 2017/18 to review current Housing Revenue Account expenditure, identifying areas of further efficiencies to further support the plan.

CAPITAL SPENDING TO:

	Budget 2017/18 (£000s)	Budget 2018/19 (£000s)	Budget 2019/20 (£000s)
Maintain the standard:			
Internal work- kitchens, bathrooms, heating etc	1,377	621	1,183
Wall finishes	2,386	1,698	1,772
Roofing	918	922	1,066
Planned boiler replacements	318	190	87
Structural works on estates e.g. boundary walls	603	611	617
Work to empty homes	1,580	1,618	1,655
Support Tenant and Residents:			
Sheltered Scheme improvements	505	518	525
Adaptations	900	930	963
Environmental works	291	298	303
Provide more affordable homes:			
Housing Development Programme	9,990	9,162	12,357
Support the delivery of CHS+:			
Programme management	152	155	158
Stock condition information	150		150
TOTAL	19,170	16,723	20,836

CAPITAL FUNDING FROM:

	Budget 2017/18 (£000s)	Budget 2018/19 (£000s)	Budget 2019/20 (£000s)
Welsh Government Grant-MRA	6,170	6,170	6,170
Receipts which we can use from sales	620	0	0
Direct Revenue Financing	3,793	3,262	7,761
External Borrowing	8,587	7,291	6,905
TOTAL	19,170	16,723	20,836

REVENUE SPENDING TO:

	Budget 2017/18 (£000s)	Budget 2018/19 (£000s)	Budget 2019/20 (£000s)
Repair and maintain homes	9,455	9,881	10,302
Supervision and management	8,086	8,396	8,731
Support services e.g. legal and finance	1,658	1,715	1,772
Direct Revenue Financing – Capital projects	3,793	3,262	7,761
Provision for Bad debts	500	530	562
Capital charges	14,172	14,533	15,118
TOTAL	37,664	38,317	44,246

REVENUE FUNDING FROM:	Budget 2017/18 (£000s)	Budget 2018/19 (£000s)	Budget 2019/20 (£000s)
Tenant rents	37,921	40,185	42,555
Service Charges	739	764	790
Interest received	46	55	72
Income from other departments	312	315	318
Housing Finance Grant 2	0	0	248
Water rates commission	587	600	612
Grants /Other	347	249	289
TOTAL	39,952	42,168	44,884
HRA END OF YEAR POSITION:	Budget 2017/18 (£000s)	Budget 2018/19 (£000s)	Budget 2019/20 (£000s)
Balance brought forward from last year	-14,138	-16,426	-20,277
HRA budgeted surplus (-)/ deficit (+)	-2,288	-3,851	-638
BALANCE CARRIED FORWARD	-16,426	-20,277	-20,915