

CYNGOR SIR 3YDD MAWRTH 2020

PWNC: **SAFON TAI SIR GAERFYRDDIN A MWY (STSG+)** **Cynllun Busnes 2020-23**

Y Pwrpas:

- Egluro gweledigaeth a manylion Safon Tai Sir Gaerfyrddin a Mwy dros y tair blynedd nesaf, a'r hyn y mae'r Safon yn ei olygu i'r tenantiaid;
- Nodi ein bwriad i ddatblygu safon newydd ar gyfer Sir Gaerfyrddin drwy barhau i symud tuag at dai carbon niwtral, rhai presennol a rhai newydd, gan sicrhau bod cadwyn gyflenwi, swyddi a chyfleoedd hyfforddi newydd yn cael eu darparu;
- Cadarnhau'r proffil ariannol, yn seiliedig ar y rhagdybiaethau presennol, ar gyfer cyflawni STSG+ dros y tair blynedd nesaf; a
- Llunio cynllun busnes ar gyfer y cais blynyddol i Lywodraeth Cymru am y Lwfans Gwaith Atgyweiriadau Mawr (MRA) ar gyfer 2020/21, sy'n cyfateb i £6.1 miliwn.

Argymhellion Y Bwrdd Gweithredol:

1. Cadarnhau gweledigaeth STSG+ a chadarnhau'r rhaglen ariannol a'r rhaglen gyflawni dros y tair blynedd nesaf.
2. Cadarnhau bod Cynllun Busnes 2020/2023 yn cael ei gyflwyno i Lywodraeth Cymru.
3. Nodi ein bwriad i ddatblygu safon newydd ar gyfer Sir Gaerfyrddin drwy barhau i symud tuag at dai carbon niwtral, rhai presennol a rhai newydd, gan sicrhau bod cadwyn gyflenwi, swyddi a chyfleoedd hyfforddi newydd yn cael eu darparu;

Y rhesymau:

- Parhau â'n gweledigaeth ar gyfer STSG+ i gyflawni'r hyn sydd o wir bwys i denantiaid;
- Parhau i gefnogi tenantiaid drwy gynnal y safon a dechrau edrych ar sut rydym yn ymdrin â'r agenda ddatgarboneiddio. Bydd hyn yn golygu y gellir datblygu'r STSG+ ymhellach ac yn rhoi golwg ar sut beth fydd bod yn addas ar gyfer y dyfodol. Cynllunnir buddsoddiad cyffredinol o £49m dros y tair blynedd nesaf;
- Adeiladu ar ein Cynllun Tai Fforddiadwy llwyddiannus er mwyn darparu rhagor o dai cost isel o safon da. Bydd y buddsoddiad, sydd eisoes wedi'i gadarnhau, yn targedu'r aelwydydd hynny sydd fwyaf mewn angen, a dros dair blynedd y cynllun hwn, bydd bron £52 miliwn yn cael ei fuddsoddi;
- Cysylltu ein rhaglen buddsoddiadau tai â mentrau adfywio ehangach gan roi pwyslais gwirioneddol ar ddatblygiadau yn ward Tŷ-isa, y Pentref Llesiant, Canol Trefi a threfi gwledig allweddol;
- Sicrhau bod yr Aelodau'n ymwybodol bod cyflawni'r Cynllun yn dibynnu ar godi rhenti gan 2.7% ar gyfartaledd yn 2020/21; a
- Galluogi cyflwyno cais i Lywodraeth Cymru er mwyn cael £6.1 miliwn o Lwfans Atgyweiriadau Mawr (MRA) yn 2020/21.

Ymgynghorwyd â'r pwyllgor craffu perthnasol : DO – Y Pwyllgor Craffu Cymunedau – 5^{ed} Chwefror, 2020

Y BWRDD GWEITHREDOL / CYNGOR / PWYLLGOR:

Argymhellion / Sylwadau'r Pwyllgor Craffu:

- Penderfynwyd argymhell i'r Bwrdd Gweithredol i gymeradwyo'r Cynllun Busnes 2020-23 Safon Tai Sir Gaerfyrddin a Mwy (STSG+).

Angen i'r Bwrdd Gweithredol wneud penderfyniad: Oes - 24 Chwefror, 2020

Angen i'r Cyngor wneud penderfyniad: Oes - 3 Mawrth 2020

YR AELOD O'R BWRDD GWEITHREDOL SY'N GYFRIFOL AM Y PORTFFOLIO:-

Y Cyng. Linda Evans (Deiliad y Portffolio Tai)

Y Cyng. Hazel Evans (Deiliad Portffolio yr Amgylchedd)

Y Cyng. David Jenkins (Deiliad y Portffolio Adnoddau)

Y Gyfarwyddiaeth:
Communities

Enw Pennaeth y Gwasanaeth:
Jonathan Morgan

Awdur yr Adroddiad:
Angie Bowen

Swydd:

Pennaeth Cartrefi a Chymunedau Mwy Diogel

Rheolwr Dros Dro Buddsoddi ac Incwm

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EXECUTIVE SUMMARY

COUNTY COUNCIL

3RD MARCH 2020

SUBJECT:

THE CARMARTHENSHIRE HOMES STANDARD *PLUS* (CHS+)

Business Plan 2020-23

What is the purpose of the plan?

- To explain the vision and detail of the Carmarthenshire Homes Standard Plus over the next three years, and what it means for tenants.
- To confirm the financial profile, based on current assumptions, for the delivery of the CHS+ over the next three years.
- To produce a business plan for the annual application to Welsh Government for Major Repairs Allowance (MRA) for 2020/21, equating to £6.1m.

What is the context?

Since 2006, we have been working to deliver the published work programmes to our tenants' homes. We called this the CHS+ and achieved this to homes where tenants agreed to have the work done during 2015. We fully acknowledge, however, that this is not the end of the journey and want to do more. Most importantly, however, we want to during 2020-21 evolve our CHS+ standard and plans in order that they continue to be fit for purpose for the long-term future.

This will mean tenants benefiting from homes that are carbon friendly, cheap to run and are flexible enough to cater for changing circumstances throughout people's lifetimes. By working in partnership and engaging with existing and future tenants we intend to:

“develop a new Carmarthenshire standard by continuing to move towards carbon neutral homes, both existing and new, ensuring new supply chain, jobs and training opportunities are delivered”

Our commitment to CHS+ remains firmly on track, building on what has already been achieved and trying to be as ambitious as we can. This plan sets out how we will do this, confirming the financial and delivery programme over the next three years.

We continue to challenge and review the stock information we hold and how it is collated. The importance we place on our strategic asset management arrangements enables us to provide the foundation for our investment plans. It also confirms the future expenditure needed to maintain the standard, and what money will be available for our affordable homes delivery programme. Nearly £49m has been set aside to maintain the CHS+ for existing tenants over the next three years.

Additionally, through careful programme management and taking opportunities, we will be able to spend nearly £52m over the next three years on building more council homes. This programme will align with our wider housing investment programme linking in with regeneration initiatives. This will enable a real focus on the proposed developments in the Tyisha ward, the Wellness Village, Town Centres and key rural towns.

The plan provides the context to, and detail of, what we plan to deliver over the next three years, including how we intend paying for it, the community benefits and verifying what we have done. The plan also highlights the importance of supporting tenants and residents in everything we do, and the three key themes that have been identified in terms of future investment. These are:

THEME 1 - Supporting Tenants and Residents

The commitment and support of our tenants' and Members' continues to be important to us to ensure that we maintain and improve on the CHS+ in the future. We believe we should give our tenants the opportunity to influence decisions about their homes, the area they live in and ensure the services they receive are value for money.

During the summer months we undertook a tenant satisfaction survey. In total, 2,087 tenants took part in the survey, which represented a 29% response rate overall. A quarter of the total number of responses was collected online (513), and 82 surveys were completed in Welsh (4%). The headline results were:

Tenant Satisfaction across the housing sector in Wales ¹				
Question? Satisfaction with:	Housing Assoc.	Voluntary Transfer	Retained Councils	CCC
service	90%	83%	78%	82%
repairs and maintenance	81%	78%	71%	75%
listening and acting on tenants' views	76%	73%	61%	64%

Actions will be developed to further improve satisfaction rates.

THEME 2- Investing in our Homes' and the Environment.

In 2015 we achieved the CHS+ to homes where tenants have agreed to have work completed - well before WG's target of December 2020. However, we wish to do more to enable affordable warmth for our tenants. Our ambition to develop a new standard has the potential to be hugely transformative in terms of reducing carbon emissions but also; -

—●— ~~Improve homes and health outcomes;~~

¹ Welsh Government 2019

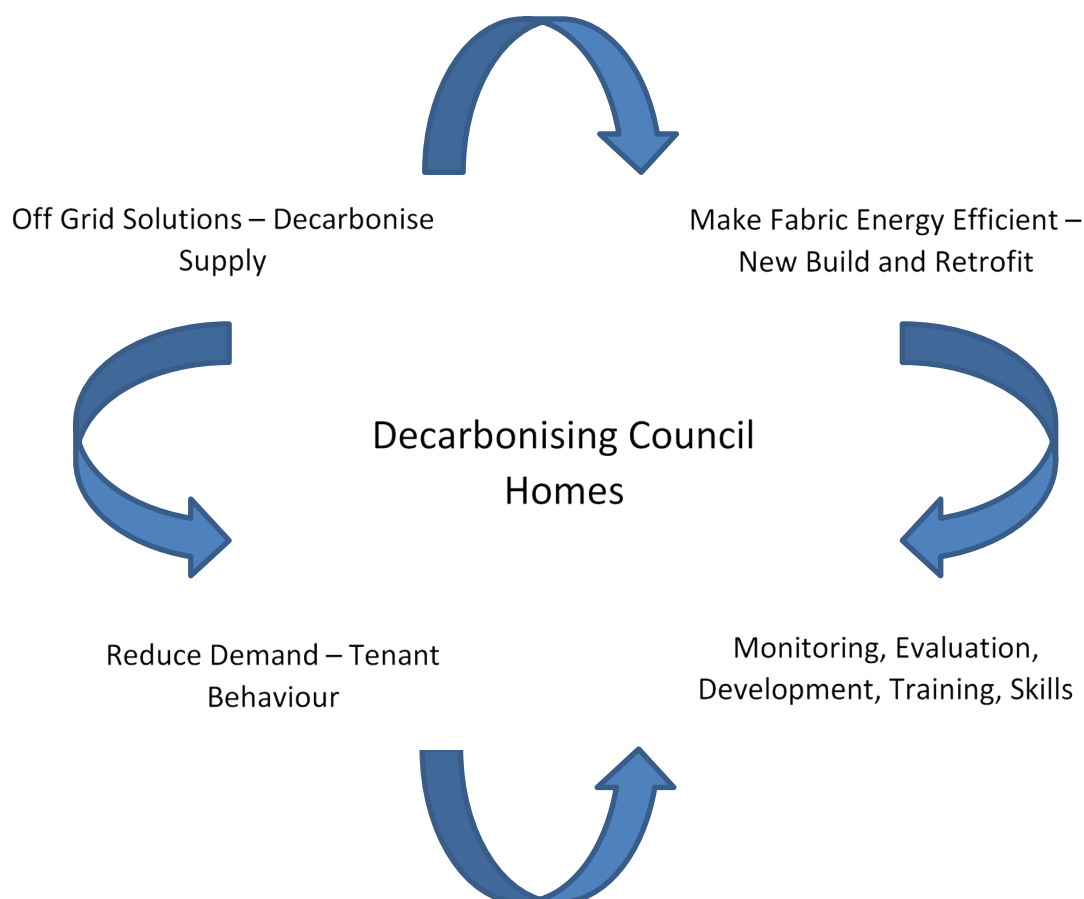
- Tackle fuel poverty; and
- Create jobs and training opportunities in some of our poorest communities.

We intend to engage with our existing and future tenants on our Decarbonising Council Homes plans and ensure they become fully involved. We want to maximise the impact of the Swansea Bay City Region Deal 'Delivering Homes as Power Stations' project by developing a model that could contribute to reducing CO2 emissions, enable affordable warmth, improve health outcomes and reduce the burden on social care and healthcare whilst developing a local supply chain.

We will work in partnership to develop and deliver the Decarbonising Council Homes Model which will seek to:

- Make the fabric of our existing and new homes energy efficient;
- Enable monitoring, evaluation, development, providing training and skills;
- Reduce demand by working with tenants to understand and change behaviour; and
- Harness off grid solutions utilising our natural environment such as wind and water.

Carmarthenshire's Decarbonising Council Homes' model:



We are unsure of the exact value at this stage nor timescales. However, we do know that different models will be required for different homes in different locations – multiple solutions. The essential focus will be on cheaper energy, the infrastructure, retrofitting, and a 10-year

plan tailored for Carmarthenshire. Mixed approach with a focus on monitoring. There is a need to include monitoring, evaluation and improvement in order to future proof the work.

The decarbonisation of Council Homes will not only provide affordable warmth for our tenants but will bring with it market confidence to develop and create jobs and employment for the local economy being a long term 30-year project. Creating a new local supply chain, with trusted local installers. We recognise the importance of communities and their role in changing behaviour, as Tenants' behaviours will affect everything we do.

To further develop the model and establish the appetite of the market we will carry out an Early Market Engagement (EME) exercise in 2020/21. This will inform us on how best to approach and deliver the project. We need to ensure that both our new build activities and retrofits of existing properties are cost effective and meet our ambitions and obligations related to climate emergency (in particular our commitment to becoming a net zero carbon local authority by 2030).

Whilst also meeting our ambitions to alleviate fuel poverty, support the vulnerable, develop the supply chain in terms of new technologies, and stimulate a sustainable local economy, ***we are also committing to planting a minimum of 1,000 new trees to offset our carbon footprint of building 1,000 new homes.***

This plan confirms work that will be undertaken to maintain the standard and what our key principles are to support our future approach to managing the homes and gardens, land, garage areas and the environment. Over £49m will be invested to maintain the CHS+ for existing tenants over the next three years.

We will:

- Make sure our stock information is as good as it can be, and fill in any existing gaps, in order that we know where we need to maintain and improve the CHS+;
- Continue to identify homes where tenants have refused part or all of the intended CHS+ works, and agree with them when works are to be programmed;
- Continue to review and update our annual work programmes based on evidence and need, only replacing components nearer to the time of failing and not time;
- Install low carbon technologies on a small number of our homes, and analyse the results in terms of costs, benefits to tenants and ease of use. This will enable us to better understand the potential for helping tenants to reduce their energy bills, improve the comfort of their homes and reduce carbon emissions to levels set by Welsh Government;
- Continue to make void properties available for letting as quickly as possible, minimising rent loss and maximising the housing available, whilst striving to meet CHS+;
- Continue to provide a customer focussed responsive repairs service, which achieves high levels of performance, customer satisfaction and good value for money;
- Continue our approach to reviewing fire risk assessments for our purpose-built blocks of flats including sheltered schemes;
- Commence a programme of radon testing in all our properties located in areas where there is a higher probability of radon levels and act to reduce radon levels to as low as possible; and

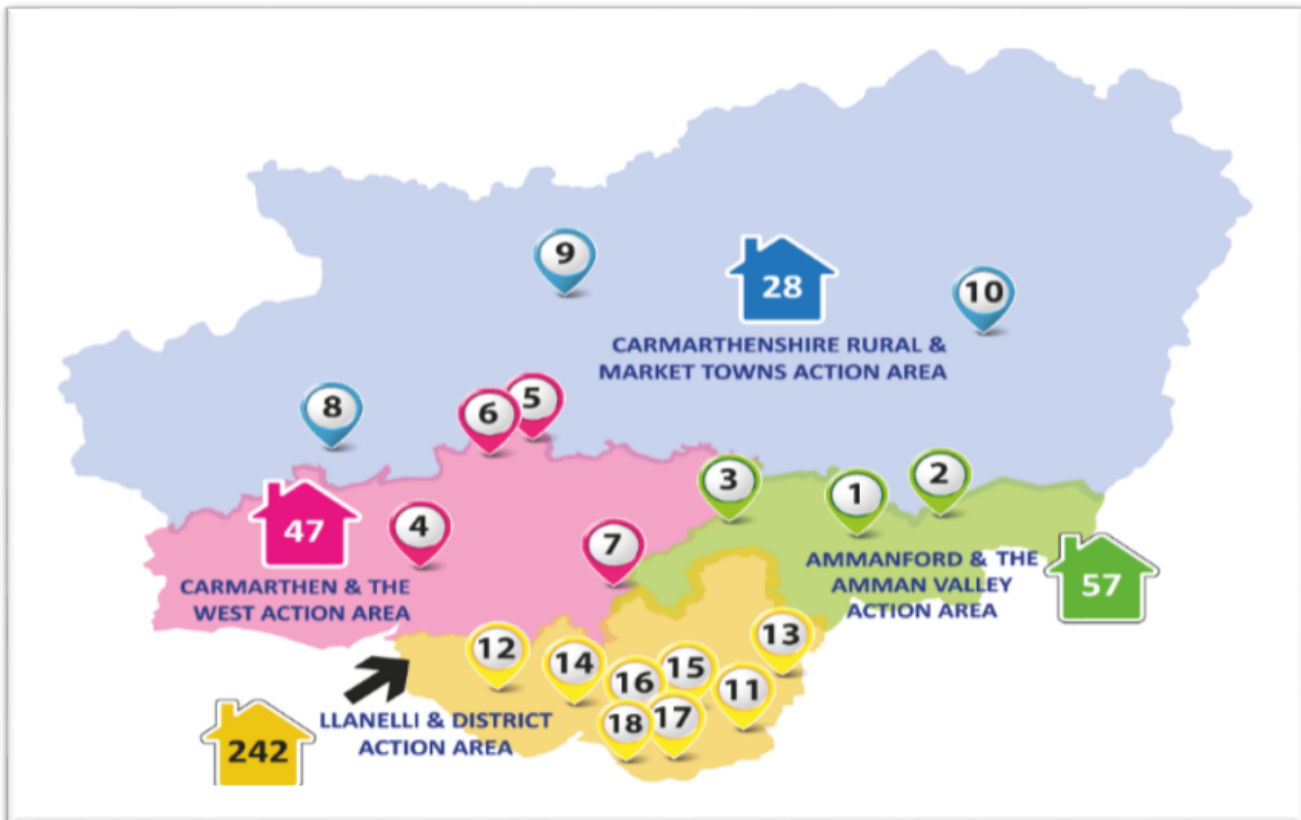
- Continue to provide homes better suited to tenants needs by:
 - investing in adapting homes;
 - understanding the future investment needs for our sheltered housing stock; and
 - completing option appraisals on sites that may need changing/ converting into homes that can better meet housing need.
- Consider the requirements and options to develop independent and supported living at Delta Lakes, Llanelli, for rent and for sale. This will include options for older people with learning disabilities and older people living with mental health conditions;
- Engage with potential partners to develop a plan for new housing in the Tyisha ward, Llanelli which will result in significant tenure change. Undertaking focused activity to improve the street scene and respond to environmental issues;

THEME 3 - Providing more homes.

Providing more affordable homes has been a key a strategic priority for the Council for a number of years. Our commitment to increasing the supply of affordable housing will ensure that we deliver the greatest increase in the number of Council homes in the county since the 1970's and return our housing stock levels to those last seen in the 1990's.

The first four years have been very successful with 985 additional affordable homes delivered, almost reaching our original target of 1000 homes by 2021, a year early. This includes the completion of our first Council new build development in Pembrey and the completion of phase 1 of our second development in Bynea.

In addition to this, we also published our first ambitious 10-year Council new build programme in September 2019. This programme will deliver over 900 new Council homes with an investment programme of nearly £150m. Our programme for the next 3 years, creating over 370 homes, is shown on the map over:



MAP KEY		
1 - Gwynfryn, Ammanford	7 - Brynderi, Pontyates	13 - Llangennech
2 - Garnant	8 - Meidrim, Trelech*	14 - Pentref Gardd, Burry Port
3 - Nantydderwen, Drefach	9 - Land at Alltwalis School*	15 - Llanelli, Town Centre
4 - Maesgriffith, Llansteffan*	10 - Land opposite Llangadog School*	16 - Station Road, Llanelli
5 - Assisted Living Scheme	11 - Dylan, Bynea	17 - Assisted Living Scheme
6 - Carmarthen West	12 - Garreglwyd, Pembrey	18 - Wellness Village Llanelli (Assisted Living)
		* - Being developed by Cartrefi Croeso

We do not want to stand still and, due to the huge success of the Affordable Homes Delivery Plan and the 10-year new build programme, plans are also already underway to align our new programme more closely with regeneration initiatives.

This approach will continue to provide huge opportunities for investment and regeneration including shaping the construction industry and creating local jobs and training opportunities. The will also enable the Council and its housing stock to play a pivotal role in not only developing much needed social housing, but also delivering the wider Council priorities to grow the economy.

This programme will further support the current earmarked developments of the housing company 'Cartrefi Croeso'. The Company will not only deliver a mix of new affordable homes for sale or rent, but will also offer families additional choices as alternatives to social housing.

Conclusion

Through careful financial planning, this Business Plan will not only allow us to continue to maintain the standard and start to look at how we approach the decarbonisation agenda, but will provide a further boost, over and above what has already been delivered, to our ambition to build even more affordable homes.

These are exciting times, but we know that this is also a time of uncertainty for our tenants. As a result, we have been able to keep the rent increase for 2020/21 at an average of 2.7%.

Finally, we set out what the key assumptions are to make sure the Business Plan remains viable, what we will spend the money on and how it is funded.

Over the next year we must ensure clarity from Welsh Government on their future financial priorities in terms of maintaining existing standards, introducing new standards to support the decarbonisation agenda and building much needed affordable homes for those in need.

All three demands are important for existing and prospective tenants and we are managing that balance well at the current time. This can only be achieved by continuing to be pro-active in delivery and taking opportunities when they arise.

Recommendations:

1. To confirm the vision of the CHS+ and the financial and delivery programme over the next three years.
2. To confirm the submission of the Plan to Welsh Government for the 2020/21 MRA Application.
3. To note our intention to develop a new Carmarthenshire standard by continuing to move towards carbon neutral homes, both existing and new, ensuring new supply chain, jobs and training opportunities are delivered.

DETAILED REPORT ATTACHED?

YES – Carmarthenshire Homes Standard PLUS (CHS+)
Business Plan 2020/2023

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Jonathan Morgan

Head of Homes and Safer Communities

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
YES	YES	YES	NONE	YES	NONE	YES

1. Policy, Crime and Disorder and Equalities

The CHS+ will act as the framework for policy development across housing services delivery and will contribute to wider agendas and programmes.

2. Legal

The Housing (Wales) Act 2014 sets out our statutory duty to maintain the Welsh Housing Quality Standard (our version is the Carmarthenshire Homes Standard *PLUS*) in our existing stock.

3. Finance

Delivering the CHS+ will continue to present significant financial challenges and risks to the County Council.

We have spent over £286m to achieve and maintain the standard and build new homes. Nearly £138m of this spend has been funded through a prudential borrowing programme.

Through careful management, the financial model remains viable to not only maintain the CHS+ and evolve the current standard but also deliver more affordable homes. A summary of costs over the next three years is included in the plan.

A general rent increase of 2.7% for 2020/21 is also assumed in the plan.

4. Risk Management

The CHS+ programme is identified as moderate risk in the Council's Risk Management Plan. A risk management plan has been developed to mitigate and review all risks associated with the programme.

Failure to deliver a viable Business Plan to Welsh Government by the end of March 2020 will mean the MRA of £6.1m for 2020/21 being withdrawn.

5. Physical Assets

The CHS+ will involve the management, maintenance and improvement of the Council's housing stock. This will be carried out within the context of our asset management principles which are defined within the plan. Any decision to acquire, convert or dispose of homes, land and/or garage areas will be considered in line with these principles.

This plan will also result in an increase in the Council housing stock through the new build and purchasing homes in the private sector.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Jonathan Morgan Head of Homes and Safer Communities

1. Scrutiny Committee – Community Scrutiny Committee was consulted on 5th February, 2020.

2. Local Member(s)

n/a

3. Community / Town Council

n/a

4. Relevant Partners

Engagement with stakeholders and partners has taken place in order to develop this Plan, including stakeholder events, 1-2-1 interviews and various meetings.

5. Staff Side Representatives and other Organisations

Engagement with tenants, has taken place in order to develop this Plan, including stakeholder events, 1-2-1 interviews, visits and events in communities, and various meetings.

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THESE ARE DETAILED BELOW

Title of document	File Ref No.	Location that the file is available for public inspection
Carmarthenshire Homes Standard PLUS (CHS+) Business Plan 2020/2023	Housing General Files	Council website- Democratic Services