
*Carmarthenshire
Homes Standard
PLUS (CHS+)
Business Plan
2019/2022*

February 2019

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Foreword by our Executive Board Members

We are pleased to introduce our Carmarthenshire Homes Standard *PLUS* (CHS+) Business Plan 2019-2022, which sets out our priorities, plans and actions for council housing for the coming years.

Through careful financial planning, this Plan will not only allow us to continue to maintain the standard but will provide a real boost to our ambition to build even more affordable homes.

We plan to continue to invest over £45m in maintaining tenants' homes over the next three years. We know from the recent publication of our major Health Impact Study, in conjunction with Cardiff and Swansea Universities, that our investment has had a really positive impact on our tenants' health and well-being. We will continue to prioritise this investment.

Also, three years into our promise to deliver 1,000 more affordable homes by 2021, we have already passed the half-way mark, with nearly 650 households benefitting from the Council's £25million investment to provide more good quality low-cost homes.

Demand for social housing remains high, but we are aware that there are information gaps about housing need, particularly rural parts of the County. Our recent needs survey has resulted in over 5,000 responses and will help us to further plan the right type of homes in the right areas.

Last year we also established Cartrefi Croeso, our local housing company, to open up new opportunities, offer families an alternative to social housing and to take advantage of the skills of local companies. We are hoping the first development will be on site in spring 2019.

We want to do more, however. We are developing a 10 year council housing new build programme that will enable us to play a pivotal role in developing additional affordable homes and support wider Council priorities. Nearly £44m has been set aside for the next three years and it is planned to invest nearly £150m and deliver 900 new council homes over the next ten years, in addition to what is already planned. It will also allow us to not only align with Cartrefi Croeso delivery but significantly contribute to key Council developments and regeneration initiatives to grow the economy across the County.

Finally, we know that the introduction of Universal Credit (UC) last year presented a cultural change for many tenants in managing their monthly budgets. This is going to be a major challenge for us in terms of future income and, more importantly, for tenants. We have recognised this by implementing an action plan to reduce the impact as much as possible for tenants across all tenures.

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 2019/20 at an average of 2.4%, whilst still maintaining the standard and building more homes. This achievement should not be underestimated.

We are so proud to be delivering on our promise to local families, and we are very confident that we can do more. This will be achieved by continuing to work together and making a real difference in our communities and to the local economy.

Linda Davies Evans Executive Board Member for Housing	Cllr Hazel Evans Executive Board Member for Environment	Cllr David Jenkins Executive Board Member for Resources
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Introduction

Introduction

The Welsh Housing Quality Standard (WHQS) is the Welsh Government (WG) standard of social housing quality. The WHQS was first introduced in 2002 and aimed to ensure that all homes are of good quality and suitable for the needs of existing and future residents. WG set a target for all social landlords to improve their housing stock to meet the WHQS as soon as possible, but in any event by 2020.

Carmarthenshire's tenants developed their own standard, called the CHS+, and this was successfully delivered in 2015, well in advance of the WG timescales.

Purpose of the CHS+ Plan

The purpose of this Plan is to explain the vision and detail of the CHS+, and what it means for tenants. It also confirms the financial profile, based on current assumptions, for the delivery of the CHS+ over the next three years. The approved Plan enables us to submit our annual application to WG for Major Repairs Allowance (MRA) for 2019/20, which amounts to £6.1m.

Development of the CHS+ Plan

Tenants and stakeholders have been consulted through the Tenant Consultative Forum and by face to face interviews and their views taken into account in preparing this Plan. The Plan is updated annually taking into account these views, the latest stock condition information, updated financial information, WG Guidance and any revised Council policies.

All actions in this Plan will be monitored every two months by the CHS+ Steering Group. This group provides strategic direction and corporate leadership to ensure progress is made on the initiatives in the Plan. The CHS+ Steering Group is also responsible for monitoring progress, reviewing and managing the overall 30 year financial plan that supports our planned investment.

How this plan links with our corporate priorities, together with the overall governance structure is set out in Appendix A.

Achievements and Priorities

The previous CHS+ Business Plan 2018-2021 has achieved a number of notable successes over the last 12 months:-

2018/19 main achievements:

- Over £19m spent to maintain the CHS+ in tenants' homes;
- Over 240 additional affordable homes delivered during our third year of delivery;
- Over 530 adaptations completed, with over £1m being invested to ensure tenants' homes meet their needs;
- Over £285,000 spent on 35 Environmental Improvement Projects (plus £60,000 on improving garage plots, demolishing garages, clearing areas and creating car parking spaces);
- Managed improvements and lettings of 900 homes, including new homes added to our stock;
- Started development on two sites for 48 new affordable homes in Llanelli and Pembrey;
- Continued our time-banking initiative, Spice, with over 57,970 of total volunteer hours being given. Over 1,800 tenants and their family members took part;
- Housed over 40 households who have specific needs through our Accessible Housing Register (AHR);
- Introduced a Choice Based Letting scheme, Canfod Cartref, that gave tenants more choice and which will make tenancies more sustainable ;
- The findings of our Health Impact Study with Swansea University showed the positive impact on health of investing over £200m in tenants homes since 2007. This investment also brings social, economic and environmental benefits for all;
- Shortlisted for CIH Cymru Wales Housing awards recognising our work on improving tenants' homes;
- Over 250 people attended 23 comprehensive consultation events using "Planning for Real" to engage with residents of Tyisha ward in Llanelli;
- Taken on three apprentices in Property Maintenance;
- Re-let the gas servicing contract for tenant homes;
- Set up a new minor works framework with up to date Schedules of Rates to ensure value for money for housing repairs; and
- Started to realign our Property Maintenance section to improve arrangements for future lettings and maintenance of Council homes.

Roll out of Home Checker visits:

In 2018/19 we carried out basic checks to all Council homes (where we gained access) through servicing contractors, repair visits and tenancy support calls. As a result of these visits about 5% of homes were identified as requiring a more in-depth visit by a housing officer.

Some issues identified and attended to in terms of preventative maintenance, included:

- Leaking showers;
- Loose tiles and guttering;
- Broken windows;
- Window locks and handles not working;
- Plugs and sockets loose;
- Toilet leaks;
- Extractor fans not working;
- Damp; and
- Condensation.

The continuation of our Home Checker visits will enable us to identify specifically what help tenants want, such as support with Universal Credit and household budget management. This will enable us to plan for the future and identify preventative maintenance and component failure.

What did the tenants think of the service provided?

During 2018/19 we have continued to engage with tenants and other stakeholders in a number of ways. One of the key questions we asked during our Home Checker visit was “How happy are you with the service we provide?” The results are provided in Appendix B.

2019/20 priorities:

From carrying out this initial work on Home Checker we will:

- Continue with Home Checker and look at ways to improve how we capture data from the visits;
- Further improve our approach to preventative maintenance in next year’s CHS+ Business Plan;
- Develop and encourage tenants to take a proactive approach in maintaining their homes to a high standard;
- Make our services more effective and responsive by tailoring them more closely to the needs of our tenants;
- Help more tenants with a range of issues including saving money on fuel bills, budgeting and financial assistance and housing support; and
- Further develop our approach to tenant feedback in order that we analyse trends over time.

Health Impact Study

During 2018/19 we also published the results of our major health impact study (in conjunction with Swansea and Cardiff Universities funded through Public Health Research programme).

The findings of the study demonstrates that by bringing our housing stock up to CHS+ we are improving people's lives and well-being, achieving outcomes that will benefit generations to come. The study tracked tenants' health and well-being while we were carrying out the investment programmes to homes. We assessed the health outcomes for over 32,000 residents living in 8,558 Council homes, which were compared to a control group of residents who did not receive housing improvements.

The health evaluation results and study recommendations identified a number of key priorities:

- Preventative maintenance;
- Reducing the risk of trips and falls inside and out of homes;
- Making sure our homes are warm; and
- Improving air quality by installing extractor fans in kitchens and bathrooms.

We have used this information to update our development plans. Our CHS+ programme is addressing the findings raised in the report, particularly around energy efficiency by bringing homes up to CHS+ where the tenant had previously declined the works. The report itself encourages the adoption of the recommendations by local authorities around the UK and further afield.

The following sections will provide 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 importance of strategic asset management in providing the foundation for our investment plans, as well as the central role of supporting tenants and residents in everything we do, is also highlighted. Leading on from this, we will cover two key themes that have been identified in terms of future investment. These are:

- 1. THEME 1- Investing in our Homes' and the Environment.**
- 2. THEME 2 - Providing more Homes.**

Context

The CHS+ Business Plan

This Plan covers all housing services and assets in the Housing Revenue Account (HRA). It sets out the objectives of the CHS+ and what this means for tenants and leaseholders across a range of housing activities.

The Council has:

- Over 9,000 homes;
- Over 1,400 garages (including bases); and
- Areas of land.

Details of our housing assets and the profile of our tenants and applicants are provided in Appendix C.

This Plan confirms the delivery programmes of repair, maintenance and improvement, as well as setting the framework for the potential redevelopment of some of the most uneconomic stock. This is set in the context of maintaining our 100% compliance with WG's WHQS, and we will continue to do this through the CHS+.

This Plan demonstrates our commitment to sustained investment and shows how the investment in the existing stock is delivered, as well as an ambitious affordable homes programme. We have also ensured a balance of investment across the entire housing stock so that our capital and revenue spend is complementary, enabling tenants to receive best value services.

We will invest nearly £45m in our existing homes over the next three years. This is based on current assumptions, together with a three year revenue provision of £10m a year for planned and responsive repairs and maintenance. We have also identified a further £44m to build more Council homes, aligning with our wider delivery ambitions.

The delivery of the above investment, however, must be built on a robust approach to managing our housing assets.

Our approach to managing assets

Managing housing assets goes beyond just investing in good repair and improvements. Asset management is also about reviewing and potentially changing the asset base to end up with the right homes in the right location, supported by excellent, flexible services for our tenants. It must consider quality and value for money, particularly the whole life of a home and how running costs will affect tenants.

By applying an effective asset management strategy to our 9,000 plus homes, it will also enable us to meet our legal requirement of maintaining the CHS+ in the future.

Consequently our approach is underpinned by the following principles:

- Carrying out regular stock condition surveys to assess condition, use and required investment;
- A planned maintenance programme achieving value for money by replacing components such as kitchens and bathrooms based on need, not time;
- A regular cyclical maintenance programme for certain components in a home e.g. heating appliances, electrical upgrades and external painting;
- A continual programme of works to meet health and safety requirements e.g. asbestos removal and structural repairs ;
- A maintenance service to respond to unplanned failures in homes and to prevent deterioration in their condition, such as boiler replacements;
- An efficient and effective voids repair service, helping to quicken the repairs process and save money by carrying out CHS+ works when a home becomes empty;
- A programme of environmental estate improvements that is strategically targeted;
- A basic check to all homes on an annual basis through our existing visits;
- A more in-depth visit to homes where there are potential issues in terms of condition, tenancy or welfare issues;
- Continuing to invest in adapting homes to suit the needs of tenants;
- Understanding the future investment needs for our sheltered housing stock;
- Completing individual options appraisals if homes are no longer fit for purpose to determine the best course of action, including considering demolishing homes, or disposing of them;
- Completing options appraisals on sites that may need converting into homes that can better meet housing need; and
- Delivering the targets within the Affordable Homes Delivery Plan.

When considering the above we will:

- Engage with tenants, stakeholders and Members using new ways of participation and challenge;
- As far as is possible, meet tenants' aspirations and priorities;
- Maximise our assets and minimise liabilities;
- Seek value for money in all investment decisions and contract procurement;
- Comply with current and future regulations;
- Create good neighbourhoods for Council tenants and their neighbours; and
- Provide assurance to the Council's auditors and regulators that our housing service is well managed.

We fully recognise that in order to achieve the above we must ensure that:

- The right structures, skills, resources and capacity are in place to manage future programmes, procurement and contract management effectively;
- Robust stock condition information, data and analysis is in place to produce programmes of investment that will appropriately maintain and improve standards, as well as services to tenants;

- Our data is further enhanced and regularly validated by feedback from all programmed and cyclical repairs, and maintenance activities; and
- We complete our cost certainty exercise for our overarching 30 year financial plan.

Over the next 12 months we will continue to focus on ensuring that asset management resources, both people and systems, are challenged to make sure they are in the right areas for the future. Our joined-up approach will enable us to:

- Commence a rolling programme of stock condition surveys to verify our cost certainty business plan, identify gaps and provide independent verification;
- Understand why work has not been completed within the stock, such as when the tenant has requested that no work be carried out. These are called 'acceptable fails' (see Appendix D); and
- Review our asset management systems and strategy to ensure all stock is fit for both current and emerging needs.

Ensuring our assets are economical to maintain and meet our strategic objectives

Homes

Every year there are a small number of homes that need major work. Generally these are homes where the previous tenants have declined the CHS+ works, or where structural works are identified in tenanted homes.

Before committing to do the work we need to ensure that the level of expenditure, and the housing need can be demonstrated. This is important to avoid major investment being made in a home that could remain empty longer than we would expect. It is necessary to have a consistent approach, and this is known as an MSCA (Most Satisfactory Course of Action).

Similarly, when we identify a number of similar repair issues in homes, in a particular area, we will consider whole site appraisals. This enables us to gather whole life costs for our homes in a defined area so that we can consider longer term solutions. Where high investment is required and there is low demand for homes in the area, tenants, leaseholders and stakeholders will be involved in the option appraisal process.

Garages

We will continue to actively gather information on the types of agreements used and the condition of garages, in order to:

- Repair and maintain existing garages which are in-use and/or vacant. An assessment will be made, and if any are unsafe and need demolishing on health and safety grounds, we will:
 - Establish who uses garages and bases;
 - Standardise agreements and charges; and

- Consult on future options for garage sites. In areas where there is limited parking we would aim to replace any demolished garages with parking bays.

Land

We have areas of land across the County. As part of our commitment to affordable housing we have identified areas of land that could be used for development, prioritising those in areas of greatest need.

Where we have identified areas, however, which have no use and cost us to maintain we shall include them in a programme for sale. The receipts from sale contribute to maintaining the CHS+.

Sewer Treatment Works

We currently have 15 sewer treatment works and 8 septic tanks. Over the last 12 months we have reviewed the charging arrangements and monitored the ongoing maintenance of these facilities in order to consider future options and arrangements for all tenures. We will develop a programme and consult with residents on the future strategy for maintaining and charging for sewer treatment works.

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.

Tenant and residents' engagement and communication

Tenant and community engagement has always underpinned the delivery of the CHS+, but we want to do more. We want to get better by engaging as widely as possible and maximising opportunities to help build stronger communities.

We asked TPAS Cymru to conduct an independent report into tenant participation and involvement with our tenants. As a result, we identified there was a lack of diversity and a low number of tenants who engage with tenant networks. These issues are not unique to Carmarthenshire and can be demonstrated across Wales.

We also believe we should give our tenants the opportunity to influence decisions about their homes, the area they live and ensure the services they receive achieve value for money. Our vision is:-

“To make it easy and inviting for tenants to get involved in shaping strategic decisions and improve services through meaningful involvement by ensuring residents have the relevant skills”.

In order that our vision for participation fully reflects the work we undertake and for us to be consistent with other social landlords, we believe our vision should be set out along the following key principles:

- **Improving communities** – Ensuring that our communities are positive places to live by fostering a sense of community and ensuring that estates are well maintained;
- **Improving services** – Ensuring that services delivered by us are those that tenants wish to receive, and that these are delivered to the highest standards;
- **Improving accountability** – Ensuring that the views of our tenants are heard when decisions are made at all levels, and that these decisions are communicated to tenants in a transparent manner; and
- **Improving resident skills** – Ensuring that tenants have the relevant skills to take part in managing their homes and providing broader support to tenants within the community to develop their skills.

We have reviewed the participation techniques we currently use, and it showed that newsletters are by far the most popular means of communication for tenants. There are three further methods of participation that we can use to improve the way that tenant participation is undertaken. These are:

- More use single issue meetings;

- Increased use of digital participation; and
- Strengthening challenge and responsibility.

We aim to deliver on these principles by introducing the following new activities:

- Changing the current structures of tenant involvement to encourage more involvement from under-represented groups;
- Improving systems for gathering and acting on tenant feedback;
- Using 'Planning for Real' as a method of engagement and consultation on estate issues;
- Increasing the use of digital services to reach out to under-represented groups and to those who do not want to attend meetings;
- Putting forward proposals for a challenge panel for our tenants;
- Holding single issue meetings; and
- Surveying our tenants (STAR Survey) to establish baseline information, and re-survey every three years and periodically on single issues.

As well as giving their views on general engagement activities, tenants and residents have also highlighted other priorities in terms of supporting them. They have told us that they would like us to focus on providing more advice and support for them with bills and benefits that will help them to maintain their homes. We will be addressing these priorities in a number of areas.

Responding to Universal Credit

Universal Credit (UC) is a new monthly payment for people who are either unemployed, or working, but on a low income. It will eventually replace six legacy benefits, including Housing Benefit.

In December 2018 Carmarthenshire became a full service UC area. We have over 3,000 tenants below pensionable age in receipt of Housing Benefit that would naturally migrate to UC if they have a qualifying change of circumstances. A managed migration programme will then begin to move all remaining claimants over to UC by 2024. This will mean that for any tenant claiming UC, payments for their housing support will be paid directly to them as opposed to it automatically being paid into their rent accounts.

Experience from the UC pilots has identified it is a huge cultural change for many tenants in managing their monthly budgets and we must support as much as we can. We know that our tenants have a negative view of UC, and the current 4-8 week delays in processing and receiving payments can cause significant anxiety.

Private sector tenants who go onto UC are also likely to require support and may face issues with their landlords due to length of time taken to assess claims.

From a business point of view, evidence from the pilots has shown that rent arrears will increase in the short to medium term and we have allowed for this within this plan in terms of our bad debt provision.

In order to mitigate the impact we have put in place an action plan which has involved:

- Ensuring that tenants are aware of what help we, or our partner organisations, can offer;
- Visiting tenants we believe may be affected;
- Continuing to work with housing providers to ensure that they are ready to provide support to our tenants;
- Increasing the range of Direct Debit (DD) payment dates available to tenants; Tenants will be able to choose any date within the month between 1 and 28;
- Enabling tenants to use the new 'My Account' facility to view their rent balance and recent rent transactions. It will also allow them to pay their rent, order a new payment card and request a direct debit form;
- Working closely with Welsh Water to encourage tenants to make an application under the 'HelpU' tariff which helps low income households to reduce their water bill;
- Targeting our prevention fund to help the most vulnerable tenants;
- Developing guidance documents and procedures to assist in staff training;
- Introducing payment reminder e-mails and texts for individual tenants; and
- Building close partnerships with Housing Benefit, Job Centre Plus and DWP staff.

Focusing on Pre tenancy work

A review carried out by the Housing Quality Network (HQN) recommended that more detailed pre-tenancy work should be carried out with tenants to minimise rent arrears, maximise income for both us and tenants and improve tenancy sustainability. We have supported this recommendation by creating a pre-tenancy service as part of our Homes and Safer Communities realignment.

We know that at present tenants are allocated homes with no prior insight into what a tenancy actually involves. Many are young, with no previous experience of running a home, living on a small budget. Unsurprisingly some end up going into rent arrears, cause noise or disturbance to their neighbours and ultimately lose or end their tenancy within the first year or two.

We have set up 'The Home Ready' project which provides support and training to applicants and potential new tenants of the Council before a tenancy begins. The project aims to:

- Provide applicants with the most relevant and tailor made training to make them more confident and knowledgeable in gaining and sustaining their tenancy;
- Ensure that applicants will be more financially aware in their future day to day lives such as learning how to live on a budget; understand the benefits of their local credit unions; be more aware of what running and maintain a home and tenancy involves and the benefits of saving; and
- Provide applicants with training that will focus on understanding the terms of their tenancy, being a good neighbour and the importance of paying their rent.

Whilst the project remains in its initial stages progress to date involves:

- The appointment of a project officer; and
- 216 new tenants have had training or one-to-one support.

The aim is that further resources will be allocated to this work and all new tenants will have pre-tenancy training or one-to-one support.

Our approach to this year's rent increase

For 2019/20, through careful financial planning, we have been able to keep the average rent increase to 2.4%.

Theme 1 – Investing in Homes’ and the Environment

Maintaining the Carmarthenshire Homes Standard Plus (CHS+)

In 2015 we achieved the CHS+ to homes where tenants have agreed to have work completed - well before WG’s target of 2020. This is in line with our agreed assumptions that the standard of our homes will be to the CHS+ and replacement programmes will be based on condition, not time.

Tenants tell us that getting repairs done on time and maintaining homes to a good standard is important to them. Maintaining the standard is now a statutory duty, and the Council has made a commitment to achieve and maintain the CHS, which states that all homes will be:

- in a good state of repair;
- free from damp;
- free from significant condensation;
- structurally stable;
- in safe and attractive environments;
- suitable for the household; and
- managed to the CHS+

Our on-going consultation with tenants has identified five key themes in this area in terms of **“What a good housing service looks like?”**

- **Repairs and Maintenance** - proper and timely maintenance, consistent service, maintain homes to a high standard and continue to improve the housing stock;
- **Internal Works and Servicing** – heating, bathroom and kitchens, soundproofing in flats, removal of old plumbing and electrics and options of a newer kitchen;
- **External Works and the Environment** - roofs, removal of moss, rendering, tackling dampness, paths, solar panels, responding to requests for paths, provide a home that is secure, fencing, painting of outside of houses, garden walls and improve communal areas;
- **Voids** - standards to be applied to every home and finish the CHS programme; and
- **Improving Standards** - improvements which result in tenants maximising their income/saving money on utilities, a standard that doesn't stand still and provides service improvement.

The actions identified to address these themes are set out below. The resultant investment requirements have been built into the HRA Capital Programme 2019/2022 (set out in our capital spend table on page 26)

Repairs and Maintenance: The responsive repairs service has more contact with tenants and customers than any other maintenance service, and is therefore used as an important

measure of how effective both the Housing and Property services are by the majority of customers.

The objective of the repairs service is to provide a customer- focussed responsive and cyclical repairs service, which achieves high levels of performance, customer satisfaction and good value for money. We will continue to achieve this by:

- Advising tenants when they report minor repairs how quickly we can carry out the repairs. We will always prioritise emergency and urgent repairs. For larger repair requests, we will often assess the problem first before letting tenants know how long the works will take;
- Carrying out repairs in the timescales we have set out or at a time that is more convenient for the tenant. Sometimes, however, there may be delays because we cannot get materials, we need to carry out further investigations or the work is dependent on the weather;
- Introducing an appointments system for our urgent responsive repairs service, using mobile technology to make appointments with tenants at a time convenient for them, and evaluating the effectiveness of this service; and
- Introducing automatic scheduling of repairs to ensure efficient and timely use of our in-house repair teams.

Internal Works - For internal components such as kitchens, bathrooms, electrical upgrading and central heating, we replace components nearer to the time of failing. We will achieve this by:

- Contacting tenants who have previously declined CHS+ works to discuss any issues they have and agree with them when works are to be programmed; and
- Ensuring homes have the appropriate smoke alarms, heat detectors or carbon monoxide devices, and discuss with tenants how we can upgrade these to improve the fire safety within their homes.

Servicing – The objective of the servicing process is to assess the condition both correctly and consistently of our gas, oil, electric and solid fuel appliances. Our cyclical servicing contract ensures that this assessment is carried out annually and enables us to replace components nearer to the time of failing. We have recently reviewed our approach to fire safety across all our stock, and our approach to when tenants have requested not to have work carried out.

We believe that it is in the best interest of tenants, and to protect our investment, that tenants will no longer have the option to decline electrical works including the installation of hard wired smoke detectors and Carbon Monoxide (CO) detectors. We will achieve this by:

- Continuing our annual programme of safety checks on gas fires, and gas or oil boilers, and only replace boilers with energy-efficient condensing boilers, when defective and no longer economical to run; and
- Checking homes have the appropriate smoke alarms, heat detectors or carbon monoxide devices, and discussing with tenants how we can upgrade these;

- Gain access to ensure that the necessary works are completed; and
- Install servicing timers when we gain access (where a tenant repeatedly does not give us access), to help tenants understand and manage their responsibilities under their tenancy agreement and help us to protect the lives of tenants.

External Works and the Environment: - whilst it is known that our homes are generally in good condition and meet the CHS+, our objective is to achieve economies of scale by only replacing components nearer to the time of failing; and thus saving tenants money. We will achieve this by:

- Continuing to review and update our annual programme of roof and render component replacement including providing exterior wall insulation (EWI), based on evidence and need, and not time;
- Working with a range of partners to identify opportunities to install low carbon technologies to our housing stock to try to save tenants money on their energy bills, improve the comfort of tenants' homes and reduce pollution in the environment;
- Continue our programme of replacing structural boundary and retaining walls; and
- Ensuring sheds and outhouses, gardens, paths and fencing meet the CHS+ standard where reasonably practicable, where we carry out planned external works.

Empty homes (voids): The objective of the void process is to make void homes available for letting as quickly as possible, striving to meet customers' expectations. We will achieve this by:

- Completing individual options appraisals if homes are no longer fit for purpose to determine best course of action, including considering demolishing homes, or disposing of them;
- Making sure that homes are maintained to our standards and any repairs from previous tenants have been carried out before a new tenant moves in, together with making sure gardens are clear of rubbish and safe to use;
- Bringing all homes up to the CHS+, except in exceptional circumstances, such as people fleeing domestic violence, flood or fire (this list is not exhaustive);
- Ensuring every new tenant receives a home information pack, to include information on boiler inspections, asbestos advice, Energy Performance Certificates (EPCs), electrical tests, recycling and service charges if applicable; and
- Providing additional investment to bring the "back-log" of major works voids back into use.

Improving Standards - Tenants have told us they do not want a standard that stands still. We will achieve this by:

- Giving tenants a say through single-issue meetings, digital participation and challenge panel;
- Developing a programme to ensure we have robust and up to date Energy Performance Data (EPCs) to better inform future planned programmes which includes energy saving measures;

- Continuing our programme of providing adaptations for our tenants to ensure that our homes meet their needs;
- Continuing to utilise our stock in an efficient manner through the Accessible Housing Register (AHR), where a void property with existing adaptations is matched to a client on the AHR whose needs will be met;
- Piloting a bio-degradable soft wash treatment to treat the effects of lichen and algae growth on affected properties and evaluate its impact over a 12 month period; and
- Investigating the potential costs and benefits of undertaking external works such as gutter clearance and external high-level cleaning on homes.

Type of work to be completed in 2019/20

We know the following work may be required to maintain the standard in 2019/20.

Type of work/components	Target homes to be completed in the full year 2019 – 2020
Kitchens	108
Bathrooms	99
Central heating Systems	52
Electrical Systems	70
Mains Powered Smoke Detectors	70
Roofs	126
Render and Fascia	142
Gardens and outhouse planned programme	142
Retrofitting Low Carbon Technology (increasing SAP rating 65+)	6

The above figures represent target homes to be completed through the planned programme of works. Additional works to homes will also be completed throughout the year as part of void and capital minor works delivery.

Further development and new opportunities

Health & safety - approach to fire management

We have now further reviewed the fire risk assessments on all of our purpose built blocks of flats, including sheltered schemes. Our approach has been to assess the likelihood of fires occurring, and any person(s) who may be put at risk from a fire. When carrying out the assessment we have also taken into consideration that fires can be started accidentally, through carelessness or started deliberately.

For each block of flats, where we have identified improvements to be made and an action plan has been developed. This provides a record of present risks, together with an indication of the scope of the changes and/or improvements which need to be provided to minimise the risks present. The risk assessments are monitored by the 'Investing in our Homes' Group, as set out in our governance structure.

Investing in sheltered housing

Demand for our sheltered housing remains high generally, but we need to ensure that the right type of support is in the right schemes. Some schemes are very popular whilst others less so because of things like their location and/or access to amenities.

During 2018/19 we assessed the current standards and condition of our sheltered housing schemes and started a pilot programme of upgrading. As part of our programme we will continue to challenge whether schemes will meet the expectations of future residents over the next 10 to 20 years.

We will also continue our annual sheltered housing scheme programme of:

- Communal boiler replacement/upgrades making boilers more energy efficient with the ability to regulate temperatures on site;
- Maintaining and servicing lifts;
- Upgrading aerial and satellite infrastructures and connections to enable tenants to access digital TV and internet services; and
- Transferring lifelines to our Telecare service, giving our tenants a person-centred approach which can adapt to their needs in later years.

Assisting with regeneration plans

The Council has been working with local residents, and other key stakeholders, to develop a masterplan for the potential regeneration of the Station Road area in the Tyisha ward, Llanelli. Station Road is located between Llanelli Town Centre and the proposed Well-Being village in Machynys. There are ambitious and exciting plans for both areas and we want to make sure that the Station Road area benefits from sustainable change that will have an impact into the future.

We have adopted the “Planning for Real” approach, which is a nationally recognised community planning process which uses a 3D model to enable residents to put their views forward under a range of themes. It then goes on to work together to identify priorities, and in partnership with local agencies develop an action plan for change. Over the summer months a programme of 15 events was organised with a total of 253 people taking part.

From this information we have been developing our masterplan for the area, and delivery options, which will be presented to the community in the spring 2019.

Retrofitting our existing housing stock with low carbon technology

We are working with the Welsh School of Architecture at Cardiff University as part of its Low Carbon Built Environment project to install low carbon technologies on a small number of our homes. We have identified a small scheme for which we will receive support for the cost of technologies from the SPECIFIC 2 LCBE project which is part-funded by the European Regional Development Fund through the Wales European Funding Office.

The 'systems-based approach' combines renewable energy supply, energy storage and energy demand reduction technologies creating a holistic approach to retrofitting. The solutions proposed are:

- External wall insulation (EWI);
- Loft insulation;
- LED lighting;
- Mechanical ventilation with heat recovery (MVHR);
- High efficiency gas boilers;
- Solar PV (location dependent on the orientation of each house); and
- Lithium ion batteries.

Where tenants have agreed to participate in this scheme, discreet monitoring equipment has been installed to measure the environmental conditions and energy use in the homes before and after the work has been carried out.

We shall be analysing the results of the installation of low carbon technology 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.

Homes as Power Stations

We also want to maximise the impact of the Swansea Bay City Region Deal 'Delivering Homes as Power Stations' project which will:

- Carry out an extensive new house build and retrofit programme which integrates new technologies to allow buildings to generate, store and release energy;
- Develop and seek to attract new sector supply chains incorporating leading research and high value manufacturing and construction operations;
- Help to generate sustainable and affordable homes and address fuel poverty; and
- Focus on smart technologies in relation to energy demand management.

We see this as a huge opportunity for Carmarthenshire and are currently working up a detailed business plan to confirm what delivery will look like, across tenures, over the next five years.

Theme 2 – Providing more homes

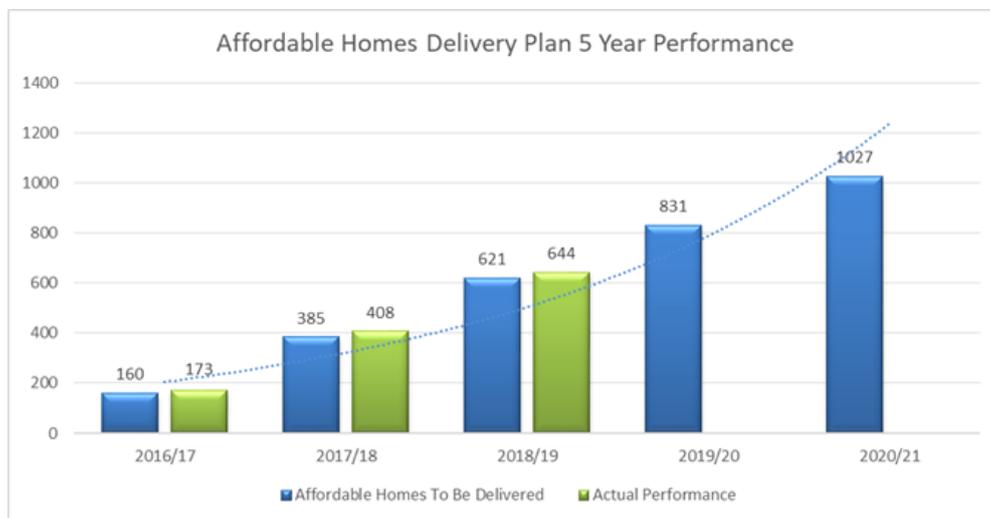
Affordable Homes

HRA Business Plan - Affordable Homes

We began our journey to increase the supply of affordable homes in March 2016 with the creation of our first Affordable Homes Delivery Plan. Our original plan aimed to deliver over 1,000 affordable homes by 2021. We are well on course to exceed this target and increasing the supply of affordable homes is now a core part of our business.

The Affordable Homes Delivery Plan – Our story so far.....

We are about to begin our fourth year of delivery. The first three years have been very successful with over 640 affordable homes being delivered.



Our first delivery plan has focused on increasing the supply of homes through a variety of innovative solutions which provide value for money and create quality homes in our communities. Examples of our approach to date includes:

- managing homes in the private sector through our Simple Lettings agency;
- bringing empty homes back into use and helping to create attractive sustainable communities;
- buying private sector homes and increasing the Council's own housing stock;
- working with partner housing associations (HA) to maximise all external funding opportunities and increase the number of HA homes in the County for rent and low cost home ownership; and
- working with private developers and their Section 106 planning obligations.

We will continue with this approach but we want to do more through an ambitious new build programme.

We have recently announced plans to build 900 Council homes over the next 10 years with a total investment of nearly £150m.

Over the next three years, an additional 250 Council homes will be built with an investment of nearly £44m. This programme will further support the current earmarked developments of the recently established 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.

Through careful financial planning in terms of borrowing we will be able to open up exciting opportunities for Carmarthenshire in terms of building more Council homes. This will enable the Council and its housing stock to play a pivotal role in not only developing much needed social housing but also delivering wider Council priorities to grow the economy.

As a result, this plan will now be able to:

- Continue to provide a range of solutions to deliver more affordable homes, including building new homes, purchasing private sector homes to increase the Council's housing stock in the areas of greatest housing need; and managing private sector homes through the 'Simple Lettings Agency';
- Align our 10 year ambitious new build programme with Cartrefi Croeso plans to develop new build homes, in order to maximise future opportunities; and
- Use our new build programme to further support wider regeneration initiatives, including rural areas.

On a wider scale we also want to maximise the impact of the Swansea Bay City Region Deal 'Delivering Homes as Power Stations' project. We see this as a huge opportunity for Carmarthenshire as the project will support the creation of a new industry in the region which will develop and build innovative energy technologies.

Funding for this ambitious new build programme will come from HRA borrowing but we will also making sure we maximise external funding opportunities. The following funding has already been confirmed to support the wider programme

- Affordable Housing Grant (WG) £4.7m;
- Innovative Housing Programme Funding (WG) £4m;
- Social Housing Grant and Housing Finance Grant £29m;
- Housing association private finance £21m; and
- Section 106 commuted sums £11m.

We are confident more funding opportunities will arise and our ambitious programme will ensure that we will have "on the shelf" developments to take advantage of opportunities as they become available.

Community Benefits and Procurement

Community Benefits

The Council is committed to:

- Contributing to the social, economic and environmental well-being of the wider community;
- Asking tenderers to deliver community benefits in our tendering activities through the delivery of the contracts or frameworks awarded;
- Maximising the value for every pound we spend, applying a community benefits approach to any tender valued over £1million; and
- Capturing and recording community benefits utilising WG's community benefits measurement tool.

For contracts completed in 2017/18, three contractors were used through the South West Wales Contractors Framework. Approximately £1.8m of CHS+ works were carried out in total, achieving the following results:

- For every £1 spent, £1.78 was reinvested into the Welsh economy;
- 75% of the total expenditure was spent on businesses based in Wales
- £43,777 was contributed to the Welsh economy in the form of cash donations
- £18,025 was contributed to the Welsh economy in the form of in-kind donations of labour, goods and services during the period covered by this submission
- 14 people were hired during this period who were previously unemployed, and who will continue to be employed;
- Over 280 weeks of training was provided, including:
 - 7 apprenticeships started and over 122 weeks carried out; and
 - 6 traineeships completed amounting to over 112 weeks in total.
 - 3 work experience / internship opportunities were started and completed with over 36 weeks completed in total
 - 5 work trials were completed with over 10 weeks in total

Since June 2017, Carmarthenshire County Council and Pembrokeshire County Council entered into a joint procurement shared service for a period of two years. The aim of the shared service is to deliver regional benefits and efficiencies through shared use of resources.

Funding and Risk Management

Removal of the HRA Borrowing Cap

The Welsh Government Minister for Housing and Regeneration provided written confirmation (29/10/2018) that the Chancellor of the Exchequer had agreed in his budget statement, that the removal of the borrowing cap for HRA's applied to Wales as well as England. This significant change in policy will provide the opportunity for local authorities to deliver their Affordable Homes ambitions at pace and scale. We were already on this journey in Carmarthenshire and this plan has been developed with this new freedom to borrow at an affordable level as a key driver.

Major Repairs Allowance

Every year we receive £6 million from Welsh Government to support our capital investment. The grant comes with clear guidance on what it can and cannot be used for. The main condition is that it must be spent on property within the HRA. It cannot be used for revenue repairs or maintenance, demolition costs, repayment of borrowing etc. A full breakdown can be found in our MRA acceptance letter issued by Welsh Government.

The MRA makes a significant contribution towards achieving and maintaining the CHS. It is currently reviewed annually by Welsh Government and, as such, it is regularly under scrutiny. A reduction or end of the MRA could have a significant impact on our future investment plans.

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 2019/20	2.4% average
Future rent increase levels <i>Based on Welsh Government Policy</i>	Consumer Price Index increases only. Welsh Government will be producing a new policy from 2020/21 financial year.
Borrowing i.e. the amount we need to borrow to support our investment	£64m over next 3 years to maintain the CHS+ and deliver our Affordable Homes ambitions.

OTHER		
Expenditure/income inflation	Employees' pay at 3.5% for 2019/20 then 2% per year for the next two years (as per assumptions for Council Fund).	
Right to Buy receipts i.e. Money we get from tenants' buying their home	No receipts from 1 st April 2015 following suspension of Right to Buy	
Balances on the revenue account i.e. the amount of money we need to keep in reserve	Minimum of £1.359m (based on £150 per property)	
SPENDING		
Assumed Borrowing costs i.e. the amount it costs to borrow money	Cost of existing and new debt: 2019/20: 4.57% 2020/21: 4.41% 2021/22: 4.41%	Cost of exiting HRAS: Average of 4.57%
Provision for Bad debt i.e. debt that we will be unable to recover	2019/20: £585k 2020/21: £770k 2021/22: £1110k	

Delivering efficiencies

This current business plan is supported by a drive to improve value for money over the next three years and enhance service delivery.

Over the next 12 months we will develop measures to ensure that value for money can be demonstrated in terms of cost and quality, whilst striving to meet tenants' expectations on service improvements.

CAPITAL SPENDING TO:-	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Maintain the standard:			
Internal works - kitchens, bathrooms, electrics, heating etc.	1,178	998	1,066
EWI, Render and Fascia (including gardens)	1,770	3,478	3,652
Roofing	1,292	1,086	1,140
Boiler replacements	680	563	941
Structural works - Estates and boundary walls	1,704	600	600
Voids and Major Works to homes	4,014	2,000	2,000
Support Tenant and Residents:			
Sheltered Scheme Investment (communal boilers)	499	714	0
Sheltered Scheme Investment	1,500	3,000	3,000
Adaptations	1,700	1,500	1,500
Environmental works	303	309	309
Provide more affordable homes:			
Housing Development Programme	15,452	15,952	13,000
Support the delivery of CHS+:			

Programme management	198	200	201
Stock condition information	150	100	100
Risk Reduction Measures	254	258	261
Sewerage treatment works & associated costs	184	0	0
TOTAL	30,878	30,758	27,770

CAPITAL FUNDING FROM:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Welsh Government Grant-MRA	6,190	6,190	6,190
Housing Finance Grant	3,452	3,452	0
External Borrowing	21,236	21,116	21,580
TOTAL	30,878	30,758	27,770

REVENUE SPENDING TO:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Repair and maintain homes	10,288	10,623	10,897
Supervision and management	10,189	10,402	10,574
Support services e.g. legal and finance	1,620	1,620	1,620
Provision for Bad debts	585	770	1,110
Capital charges	14,941	15,822	16,770
TOTAL	37,623	39,238	40,970
REVENUE FUNDING FROM:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Tenant rents	40,557	43,012	43,863
Service charges	706	720	734
Interest received	100	134	168
Housing Finance Grant 2	124	247	247
Water rates commission	401	409	417
Grants / Other	1,001	898	913
TOTAL	42,889	45,420	46,342
HRA END OF YEAR POSITION:	Budget 2019/20 (£000s)	Budget 2020/21 (£000s)	Budget 2021/22 (£000s)
Balance brought forward from last year	-14,002	-19,268	-25,450
HRA budgeted surplus (-)/ deficit (+)	-5,266	-6,182	-5,372
BALANCE CARRIED FORWARD	-19,268	-25,450	-30,822

Risk Management

Each year, as part of the HRA business planning process, we identify, assess and prioritise potential risks and consider the likelihood and impact of each. This exercise is carried out by each service delivery area. Once this has been done, we identify ways in which we can reduce or manage the potential risk and impact. These are recorded corporately and monitored regularly.

Three of the greatest risks identified in delivering this plan are:

- Maintaining up to date asset information about our stock;
- Uncertainty of the impact of market conditions with regard to inflation, pricing and availability of workforce, to inform the 30 year cost certainty exercise; and
- The impact of Universal Credit on tenants' ability to maintain their responsibilities and obligations to pay their total rent in advance for the week ahead.

All risks will be monitored by the CHS+ Steering Group on a regular basis.

Compliance, Verification and Monitoring

Compliance and Acceptable Fails

Recording compliance and acceptable fails is not a simple collection of condition information for things like kitchens, bathrooms, electrics and so on. It is a combination of occupancy and property condition information. Surveying of homes, collating of information, how we manage our data, and the ability to report 100% accurate information, are all data-hungry activities. The details of our compliance are set out in Appendix E, our full CHS+ compliance document is set out in Appendix F.

Acceptable Fails

An acceptable fail occurs when an individual component e.g. a kitchen or bathroom, has not been completed for one or more of the following reasons:

- Cost of remedy;
- Timing of remedy;
- Resident's choice; and
- Physical constraint

Energy Efficiency

We have had a number of different programmes running to improve the energy efficiency of homes. These programmes have helped save tenants money on their heating costs and improve the SAP rating of our homes. The average SAP across our stock is 65 out of 100.

Independent Verification

We believe that we report compliance accurately in achieving and maintaining the CHS+, and we will continue to do so. We will also back this up with further verification by:

- Demonstrating compliance by ensuring there is a clear separation of duties between CCC staff reporting compliance and those staff responsible for delivering the CHS+;
- Using internal staff in conjunction with Internal Audit to undertake desktop reviews;
- Agreeing and commencing a sample programme of stock condition visits every year, carried out by an independent verifier;
- Asking tenants how they would like to be part of the process of verification;
- Continuing to use service reviews to assess compliance. Some data is already independently collected, e.g. boiler inspections, EPCs and electrical tests; and
- Introducing Home Information packs for all new tenants, informing them of boiler inspections, asbestos advice, Energy Performance Certificates, electrical tests and when any outstanding CHS+ work will be carried out.

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