

Housing Revenue Account Business Plan 2024-27

Carmarthenshire's Housing Investment Programme



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Foreword by our Cabinet Members

This Housing Revenue Account (HRA) Business Plan for 2024-2027 sets out our clear direction of travel and priorities to support tenants and estates and to provide significant investment in existing and new Council homes for the next three years.

Our plans are exciting and ambitious that will continue to help stimulate economic growth, improve health and well-being, and build strong sustainable communities.

We are fully aware of the continued difficulties many of our existing and prospective tenants are facing. As a result, we have tried to balance additional income received through the rent increase by making sure we continue to invest in existing homes to make them cheaper to run, including new decarbonisation and energy efficiency technologies, as well as delivering additional new homes for our tenants of the future. This balance is a huge challenge but is one we must all face together and in a positive, pro-active way, as is set out in this plan.

Our new estate and tenancy management offer will ensure that our officers are more visible and accessible on our estates and are carrying out regular wellbeing visits. This will provide help, support and assistance to tenants to ensure that they feel safe and secure in their homes, increasing income levels where possible and ensuring that they are in receipt of all the grants and benefits that they are entitled to. We will continue to provide advice and financial support to help tenants pay their rent and utility bills, buy food and other essential items for their families. No one will be evicted from our homes as a result of financial hardship.

We will also continue to keep the number of void properties at a low level and reduce the current back-log of day to day repairs. We plan to increase our in-house provision around day-to-day repairs and re-balance the current split between internal and external contractors. A new small works framework will also be procured in the summer of 2024 to support local contractors. Furthermore, we will be introducing a new pilot handyperson scheme in targeted estates initially to further support tenants.

We will continue with our ambitious new build programme. In addition we will proactively acquire more land. This will include larger sites where there will be exclusive use for council housing. This will put further pace and scale into our development programme. We will also further invest in specialist type housing (e.g. learning disability, older people, supported housing) to ensure needs are met in the most appropriate way.

This plan shows a firm commitment to supporting the investment required for decarbonising our homes and will make a significant contribution to the Council's net zero carbon agenda. We also will try to implement solar panels at greater scale through the development of a detailed business case.

This plan continues to deliver a comprehensive programme of works to our homes and maintain services to all of our tenants. During the three period of this plan, we will invest over £277m into social housing in Carmarthenshire (Capital £113m and Revenue £164m).

Finally, we would like to thank tenants, staff and members for their continued support in driving our ambitious plans forward. The details within this plan clearly lay out our priorities and how this will benefit tenants and prospective tenants.

We fully appreciate there are challenges ahead on a number of fronts. We will ensure through this plan, however, that each of these challenges are met positively and results in opportunity for all tenants.



Cllr. Linda Davies Evans
Deputy Leader & Cabinet Member for Housing



Cllr. Alun Lenny
Cabinet Member for Resources

Purpose of the HRA Business Plan

At the start of each year, we develop a business plan which explains our vision and the three-year housing investment programmes to maintain our stock and deliver more affordable homes.

It is important that the plan is clear and that all readers, including our tenants, understand its contents.

The income that we receive from tenants' rents and other funding sources enables us to build an investment programme exceeding **£277m** (Capital - £113m and Revenue - £164m) to run our services over the next three years. The plan reflects on previous years achievements and confirms the financial investment plans (based on current assumptions) for delivering more affordable homes, improving and maintaining our existing stock as well as developing new standards to meet our net zero carbon principles.

To help maintain our housing stock investment programme, each year we apply for Welsh Government's Major Repair Allowance (MRA) grant. We access this funding by having a detailed business plan and compliance policy. The MRA application for 2024/25 will equate to **£6.2m**.

Priorities and direction of travel

The plan is again set within the context of continuing cost of living issues that will require further support for our tenants, high inflation, increased costs associated with investment in homes (both construction and repair and maintenance). In addition, there is an unprecedented housing need and homelessness demand due to making sure "no one is left out", a changing private rented market that is affecting supply and that we take our proportionate share to meet our responsibilities around resettlement schemes.

As a result, we have identified the following actions as priority areas for our direction of travel within the themes for this year's plan. We will:

1. Introduce a new estate and tenancy management "offer" that will ensure housing officers are more visible and accessible on our estates. This "offer" will balance support for our tenants with enforcement activity where it is appropriate to do so. This will also be aligned to the implementation of a new pilot "handyperson" scheme on priority estates in Carmarthen, Ammanford, Llanelli and rural areas.
2. Continue to keep the number of void properties at a low level and reduce the current backlog of day to day repairs. We plan to increase our in-house provision around managing and implementing repairs and re-balance the current split between internal and external contractors.
3. Continue to invest in making sure homes are cheaper to run for our tenants and in addition to installing solar panels as we replace roofs, we will develop a business case for the introduction of a wider programme of rooftop solar panels on estates.

4. Due to the significant demand for new build homes, we will proactively acquire more land. This will include larger sites where there will be exclusive use for council housing. This will put further pace and scale into our development programme.
5. Further invest in specialist type housing (e.g. learning disability, older people and young person supported housing) to ensure needs are met in the most appropriate way. This will include smaller, more dispersed accommodation in different wards. This investment will also ensure a move away from expensive and inappropriate out of county placements for certain client groups.
6. Procure a new minor works framework for day to day repairs and wider improvement projects to ensure a quicker response and to support smaller local contractors across the County.

Through careful financial management we have also managed to keep the projected rent increase to 6.5%, which is below the September inflation rate of 6.7%. We have also incorporated £330k revenue efficiencies into the financial planning over the three year period.

Advancing the HRA Business Plan

This Plan is updated annually considering the views of tenants and stakeholders, the latest stock condition information, updated financial information, WG guidance and any revised Council policies.

The plan acknowledges the link between good quality housing and estate management with the seven goals in the Well-being of Future Generations Act.

Progress against the actions within the plan, associated budgets and strategic direction will be monitored regularly through the governance arrangements set out in **Appendix A**.

2023/2024 Achievements

Providing help and support for our tenants to ensure that they can continue to live comfortably in their homes, provide food and other essential items for their family has become more important than ever.

Over the last 12 months we have:



- supported almost 800 tenants to maximise their income levels through unclaimed grants and benefits, generating over £820k of additional income. This is the equivalent of approximately £1000 of additional income for each home we have supported;
- developed a robust plan to help tenants and the Council mitigate the financial impact of the roll out of the second phase of Universal Credit.
- based on the success of the MJ Award for Best Social Housing Initiative in 2022/23, we've continued to develop new supported housing schemes by working closely with youth services to help young people live independently and sustain their tenancy;
- continued to implement the actions in the Rapid Rehousing Transition Plan, helping people experiencing homelessness find secure, settled self-contained accommodation as quickly as possible;



- continued to deliver affordable homes across the county, exceeding our targets and delivering in excess of 2,000 additional homes since the start of the programme;
- completed an additional 20 new build Council homes by converting the former Council offices in Spilman Street into 12 apartments and converting the upper floors of the former YMCA building in Llanelli into 8 apartments;
- purchased over 45 homes on the open market, increasing our housing stock quickly;
- been nominated for the Chartered Institute of Housing Welsh Housing Awards 2023 in the Excellence in Housing Innovation category for our supported living project for individuals with learning disabilities and mental health at Coleshill Terrace, Llanelli;
- continued to provide alternative temporary accommodation solutions to individuals and families threatened with homelessness, moving away from the use of bed and breakfast type accommodation;
- reduced the number of Council empty homes (voids) to below 200 which has led to an increase in the number of homes available for letting;
- started the journey of recruiting additional maintenance operatives to deliver more services in-house;
- installed super-fast wi-fi to our sheltered schemes;
- achieved a EPC Band C energy rating for nearly 50% of our housing stock;
- issued new contracts to all our tenants in line with the provisions of the Renting Homes (Wales) Act;
- procured up to date CCTV equipment for our sites and estates; and
- surveyed over 1,360 homes which has allowed us to model stock condition and energy performance in over 55% of our housing stock.



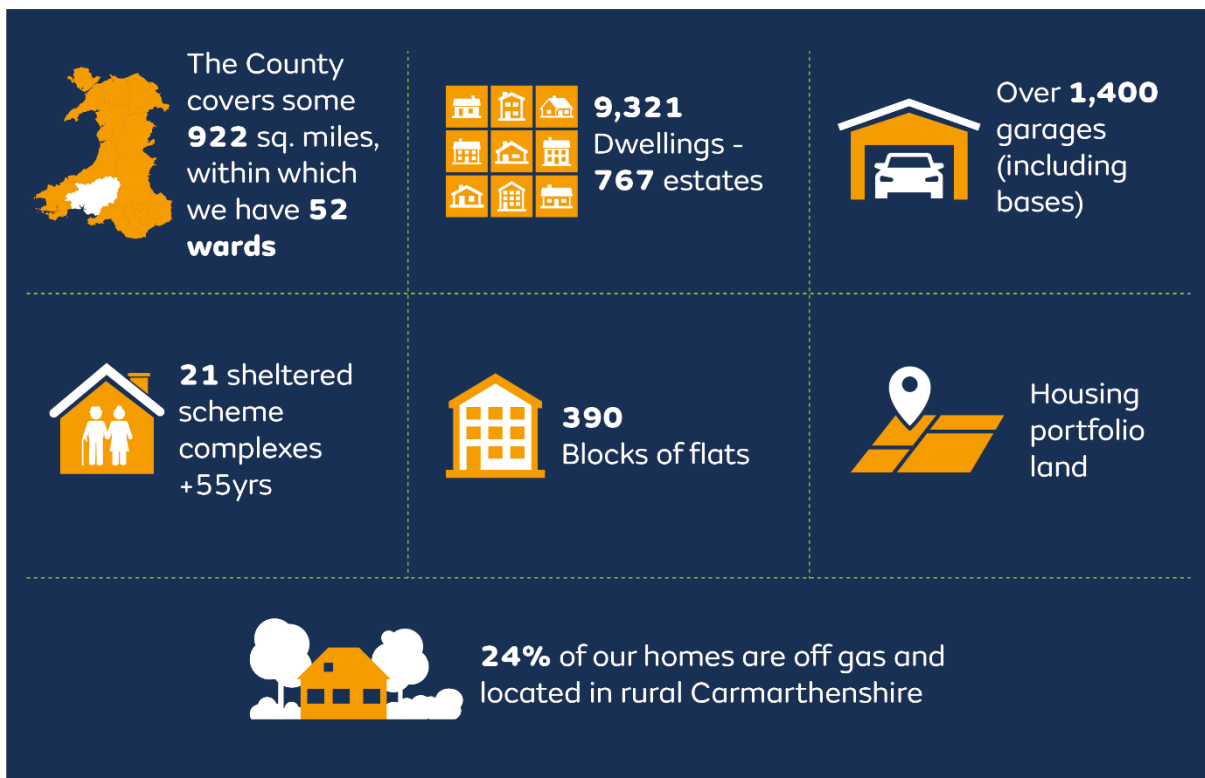
The following sections will provide the context and detail of what we plan to deliver over the next three years. This includes how we intend paying for it and the wider benefits of the investment programme. We will cover five key themes that will drive our business.

Context

The HRA Business Plan

This plan covers all housing services and assets in the Housing Revenue Account (HRA). It sets out our objectives and what this means for tenants and leaseholders across a range of housing activities. The plan relates to policies that affect how we deliver our services and looks at wider on-going events that may impact our tenants and how we plan to resolve/mitigate them whilst still delivering our everyday services.

Our county



Further details of our housing assets and the profile of our tenants and applicants are set out in **Appendix B**.

Recognising the effects of the cost-of-living crisis

The cost-of-living crisis has created difficulties for many tenants and vulnerable families in our communities and this situation is unfortunately likely to continue throughout 2024/25.

We know that poverty and deprivation is already a real issue affecting many households across the County and the cost-of-living crisis has exacerbated this for many families. To ensure that our rents are affordable to our tenants we will regularly review this by participating in assurance exercises and engaging with charitable organisations and foundations. In a recent tenant affordability survey 69% of our tenants told us that our rents were affordable.

Poverty rates are also highest in social rented and private rented households, many of whom are in poverty after paying their housing costs alone. At these difficult times it is more important than ever that we support tenants wherever possible, be sympathetic to those that face financial hardship and give them the reassurance that they will always have a safe and secure home to live in. Our new tenancy and estate management offer will further support this.



The Joseph Rowntree Foundation describes poverty as -

“Not being able to heat your home, pay your rent, or buy the essentials for your children. It means waking up every day facing insecurity, uncertainty and impossible decisions about money. It means facing marginalisation and even discrimination because of your financial circumstances.”

We know that...

- **34.5% (over 28,000)** of all households in Carmarthenshire are living in poverty. The household income in these homes is less than £22,020 per annum;
- The number of households living in poverty in Carmarthenshire is **1.1%** higher than the Welsh national average;
- **34.6%** of children in Carmarthenshire are living in poverty;
- The average weekly wage for full time workers in Carmarthenshire is **£623.40**, which is higher than the Wales average of £603.50, but lower than the average for Great Britain at £642.20.
- **18%** of pensioners in Wales are living in poverty, equating to nearly 1 in 5 people; and
- **11%** of adults who live in households where all adults are in work are in poverty.



To ensure our tenants maximise their income and provide financial security for their families, we will continue working with tenants to enable them to claim grants and benefits they are entitled to and help them through the cost of living crisis.

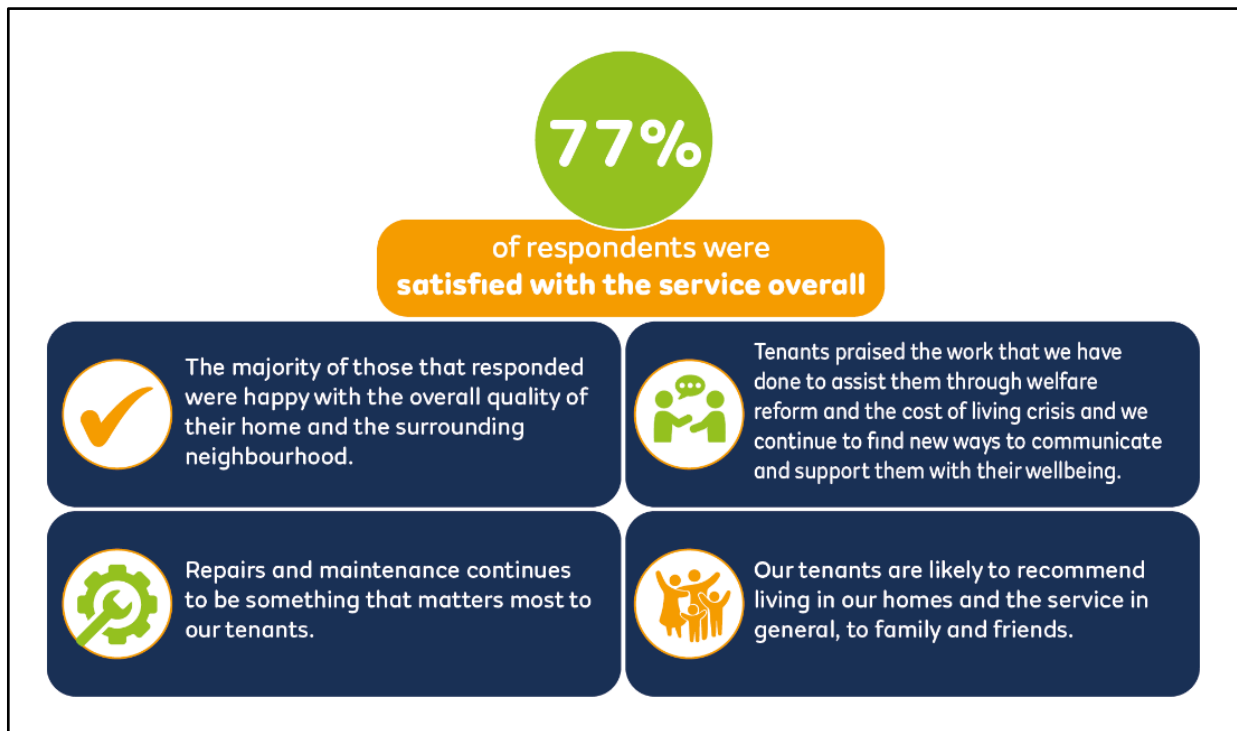
Helping our tenants we have...

provided support to over **800** tenants to ensure that they claim all benefits and grants that they are entitled to. This has already generated over **£820k** of additional income for tenants which equates to approximately **£1,000** per household.

What our tenants tell us

The commitment and support of tenants and members is important to us. It helps us maintain, improve and expand our housing stock and our services for the future. Tenant and community engagement has always underpinned the delivery of our services and will continue to do so.

1,938 tenants took part in our latest tenant satisfaction survey, which represented a 26% response rate overall. A third of the total number of responses were collected online (660) compared to a quarter of responses received in the last survey and 47 surveys were completed in Welsh (2%).



The table below shows how our survey results compare against other retained Council stock landlords in Wales.

Tenant Satisfaction retained Council Stock Landlords- 11 (STAR survey results from 2021)				
	Quartile	Rank-retained Councils (out of 11)	Average satisfaction	CCC
Overall Satisfaction	Mid	6	77%	77%
Repairs and Maintenance	Mid	6	71%	66%
Listening and acting on tenants' views	Top	2	60%	63%
I trust my Landlord	Top	2	75%	80%

Generally, our satisfaction rates were greater than the average for other stock retaining authorities. Satisfaction in responding to repairs and carrying out works was also comparable even though delays are still affecting our capacity to carry out responsive repairs.

Managing our assets

The Compliance Policy set out in **Appendix F**, shows how we will continue to manage our assets by allocating adequate resources to maintain our housing standards. This is done by using a robust asset management system, verifying and validating our data to ensure cost certainty over the 30 year financial model.

Theme 1 – Our Estate and Tenancy Management offer

We have developed a new estate and tenancy management offer which ensures that the needs of our tenants and residents are at the centre of the services that we deliver in our communities.

Our offer recognises the key drivers and challenges that we face in an ever-changing environment, set within the context that everyone deserves to have a safe, secure and affordable home, in a nice estate environment.

We know that the cost-of-living crisis continues to create hardship for many of our tenants and paying rent has become increasingly challenging for many. Officers must focus their time supporting and working with tenants to help maximise their income levels and ensuring that they budget properly to avoid going into debt. As a service, however, maintaining our rental income is critical for delivering our revenue and capital investment programmes. We must ensure that our tenants feel that their rent is invested in services that will benefit them and the estates they live in.

The role of the Estate and Tenancy Management Team goes far wider than just a rent collection service. They also:

- manage occupation contracts (tenancies), legal processes, disrepair claims and court actions;
- manage former tenant debt, mutual exchanges, abandonments and re-charges;
- provide the link between the tenant and other services- repairs and maintenance revenue programmes, capital programmes, social care, children services and other key statutory services as well as utility providers etc.
- manage property condition, decants, hoarding, grounds maintenance contracts and estate surveys;
- co-ordinate tenant and local member engagement;
- manage estate Environmental Works projects and ecology projects and the strategic approach to garage sites; and
- manage anti-social behaviour, nuisance, fire safety, community safety and cohesion on council housing estates.

To ensure that we are able to deliver a comprehensive estate and tenancy management service to our tenants and residents, our housing stock is split up into 12 patches across the County. There is more dispersed management in rural areas compared with more dense management in and around the three main towns of Llanelli, Carmarthen and Ammanford. Each patch is covered by one Tenancy Support Officer and one Estate Management Officer.

Our patch sizes vary and are dependent on geography, but the challenges continue to get greater. Cases are becoming more complex and complicated which is linked to the increased economic, social and health pressures faced by tenants and residents. We are reaching out further to tenants on estates to provide them with the support they need.

The key priority in our new estate and tenancy management offer is ensuring that our Housing Officers are more visible and accessible on our estates. This will:

- improve communication with tenants, residents and members, helping to respond to their concerns and service requests faster;
- increase our focus on planned and prevention activities, taking action/providing support early and addressing issues before they reach crisis point. This is particularly important in helping tenants with affordability issues, including heating their homes, feeding their families and paying their rent;
- ensure that we carry out home-checker visits to all homes. This will help us identify concerns or vulnerability issues that we would otherwise be unaware of. It will also help develop a more proactive and preventative service around repairs and maintenance, helping to reduce future expenditure on responsive repairs and reduce the number of disrepair claims received; and
- help us identify the more complex tenancies issues that need intense bespoke support.

What is our new vision?

Our vision:

We want to provide a service that is more accessible and visible on housing estates, where support is provided when needed to resolve issues, but where we also take firm, decisive action against those who choose not to conform.

We want to listen to tenants needs, act promptly and effectively, ensuring our homes and estates are well maintained and people like living there.

For residents this will mean...

- good services, tailored to meet their needs, preferences and helping to sustain tenancies;
- high levels of satisfaction, more opportunities to give feedback and confidence, listening and acting on concerns, using their comments to shape decisions; and
- they know what to expect from us, are clear what we expect from them and are assured that they will receive best value for money.

For staff this will mean...

- a productive working environment, which enables joined-up, agile working (including hybrid ways of working) in a consistent way;
- that they are environmentally conscious and lower our carbon footprint;
- they have the right numbers, tools and skills to do the job well; and
- they feel engaged and empowered to shape decisions.

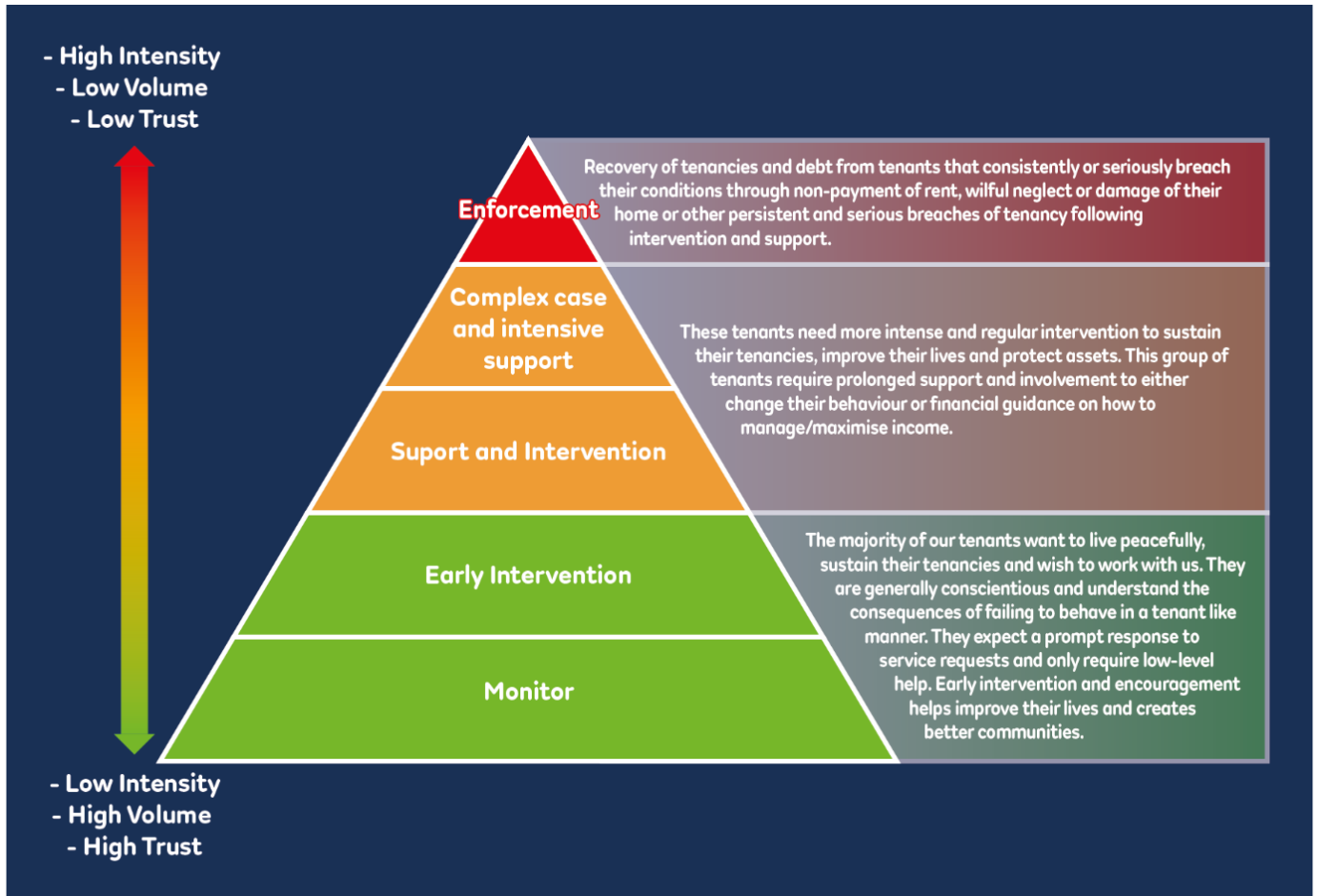
For the future this will mean...

- we make the best use of our assets and have a robust service offer, have a flexible approach to managing our homes, reflecting the priorities of local communities, and managing homes owned by others;
- we have estates where people want to live for many years and we have greater influence with our partners to make a positive impact on community assets and spaces;

- we protect, maintain and enhance ecology and biodiversity within the greenspaces on our estates; and
- we are more resilient in our service delivery.

How will we deliver our vision?

Our approach to estate and tenancy management must be balanced. It must allow us to support and help our tenants maintain their tenancy whilst also allowing us to take enforcement action against those who breach their tenancy agreement. Our approach to estate and tenancy management is summarised below.



We are committed to keeping evictions to a minimum and there will be no evictions from incidences where a tenant is suffering financial hardship and are doing all they can to work with officers. The most successful enforcement action is dependent on the provision of good support and assistance for tenants to help change their behaviour.

Each stage of our approach is interdependent on one another, and our interventions can be increased or decreased depending on how well or how poorly a tenant responds to our officers.

There is a strong correlation between a pro-active front line housing management service and the positive impact this has on other service areas, including housing repairs, voids and social care (including Childrens Services). For example, a handyperson service will have a positive impact, over time, on day to day repairs, the condition of void properties and the general appearance of our estates. This pro-active approach will reduce long term revenue expenditure by addressing small issues and will avoid them becoming more serious and costly if ignored.

Key to the success of our estate and tenancy management service is the visibility of our officers on our estates. Their ability to work flexibly using technology which helps them work remotely and become more mobile and agile on our estates will be central to the approach. This will be further enhanced as we introduce our new housing management system, which will speed up our work, avoid duplication and improve the customer experience.

Improving the customer experience also includes helping tenants do things for themselves. Developing our front facing systems where people can interact and access information easily, report problems, pay their rent without officer involvement will allow staff more time to monitor, react and deal with more intense support and complex issues.

Our key estate and tenancy management commitments

Our Estate and Tenancy Management Commitments:	
<p><u>Commitment 1</u></p> <p>Direct tenant management</p>	<p>We are aiming to achieve a balanced approach to allow us to support and help our tenants maintain their tenancy while allowing us to take enforcement action against those who breach their tenancy agreement. This approach will:</p> <ul style="list-style-type: none"> help prevent evictions and reduce the number of homeless cases as more tenants are able to sustain their tenancies; improve the end of tenancy process; provide more support on wellbeing and social care issues; help maintain and increase rental income levels; maintain bad debt provision at £300k well below the historical budget provision of £600k; help deal with former tenant debt and the more complicated financial difficulties experienced by tenants; and ensure that we deal with low-level neighbour problems.
<p><u>Commitment 2</u></p> <p>Helping tenants maintain their homes and estates</p>	<p>How our tenants look after and live in their homes has an impact on the appearance, the condition of our homes and estates. We need to deliver a service more focused on the condition of homes, providing a link between front facing officers, housing repairs and social care. This approach will help maintain the condition of our homes and estates for longer.</p> <p>In 2024/25 we will introduce a new handy person service which will give our officers more “tools” to do their job and have direct access to preventative services on our estates. The handy person service will focus on carrying out low level repairs on tenant’s homes, ground maintenance and general improvement works on priority estates in the Carmarthen, Ammanford and Llanelli areas.</p>
<p><u>Commitment 3</u></p>	<p>We must provide a greater focus and investment on improving our estate environment.</p> <p>We will deliver a targeted and co-ordinated approach, delivering capital estate improvements that will improve the appearance of our estates, make them feel better for tenants and ensure that they are safe places to live in.</p>

Improving the estate environment	<p>Tenant and community engagement has always underpinned the delivery of our services, but developing a programme of estate improvements with tenants will help us ensure that our tenants shape our future estates and priorities.</p> <p>Our future estate improvement programme will include:</p> <ul style="list-style-type: none"> • estate entrances; • boundary walls and fencing; • capital works to gardens that are not sustainable to look after; and • general communal area improvements that will ensure we make the best use of the land we have available.
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To achieve these commitments we have re-directed some of the expenditure in this year's plan to ensure that we are able to increase our investment on supporting and helping our tenants sustain their tenancies. This will mean:

- Reducing our bad debt provision by **£250k** and investing that funding into increasing housing officer capacity on the ground;
- Top slicing **£250k** from the repairs and maintenance budget and developing a proactive pilot "handyperson" service, initially on priority estates in Carmarthen, Ammanford, Llanelli and rural areas;
- Increasing our capital expenditure on improving our estate environments from £300k per year to over **£650k**; and
- Continued investment in home adaptations and sheltered housing improvements.

The investment included in this plan for supporting our tenants and residents is summarised in the table below.

Funding	Investment	2024/25 £'000	2025/26 £'000	2026/27 £'000
Capital	Improving the estate environment including ecology and biodiversity on greenspaces	650	700	700
	Adaptations to tenants' homes	2,000	2,000	2,000
	Sheltered housing investment	270	300	650
Revenue	Supervision and management	12,467	12,727	13,002
	Handy-person service	250	250	250
	Bad debt provision	350	357	364
	Grounds maintenance, unadopted roads etc.	1,265	1,317	1,373
Total		17,252	17,651	18,339

Theme 2 – Investing in Homes

In 2015, we completed the WHQS programme of works to all homes where tenants had agreed to the work- well before WG's target of December 2020. This was in line with our previously agreed assumptions that all our homes will achieve the standard and future replacement programmes will be based on condition, not time.

Maintaining the condition of our housing stock

Maintaining the WHQS standard is a statutory duty, and the Council has made a commitment to achieve and maintain the standard. The standard is contained in the **Compliance Policy in Appendix F**. Critical to this work is our ongoing stock condition survey for all housing assets. Surveys have now been completed for 1,350 of our homes which has enabled us to model a further 5,200 homes with the same architype, representing more than 55% of our stock.

This robust stock condition data has enabled us to plan our future programmes for the replacement of elements and components when they fail rather than on the time from when they were first installed. We have also identified key estates for investment, which are reflected in our capital programme. As further homes are surveyed and modelled, this will provide more detailed information to inform our investment plans year-on year.

Carrying out repairs and letting empty Council homes

Tenants tell us that getting repairs done on time and maintaining homes to a good standard is important to them. Both the pandemic and Brexit have had a significant and lasting effect on the local construction market, adversely affecting available skills, capacity, and materials. In addition to this, costs have escalated. Many of our framework contractors have declined housing repair and maintenance works choosing to prioritise higher paid private sector work or larger projects instead. This has seriously affected our ability to carry out responsive repairs and maintenance works on our homes and has caused a significant backlog in the number of repairs we have outstanding.

On average we continue to respond to all emergency work within the day and urgent work within the week, but the backlog of non-urgent repairs is ongoing.

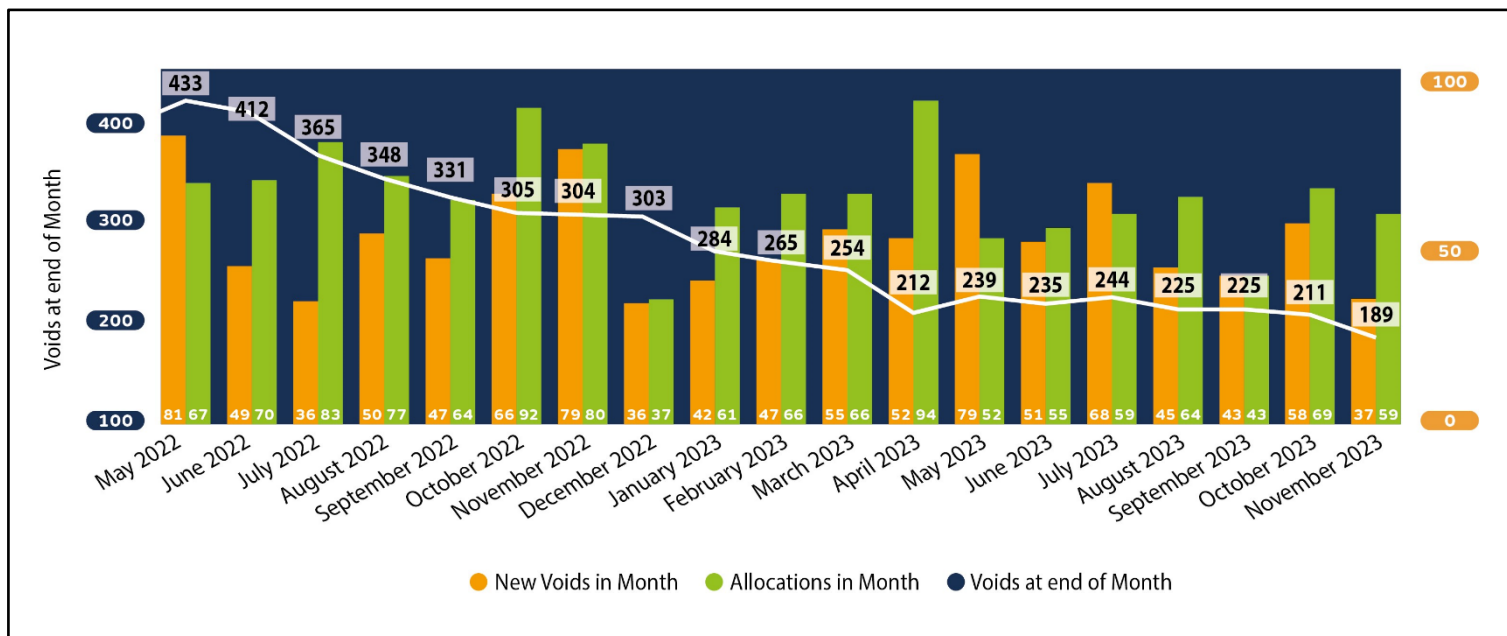
To address this backlog of repairs we must expand our capacity and contractor availability. We have invested in a new Housing Contract & Commissioning Team to develop a new Property Works Framework. We have undertaken extensive engagement with roadshows across the County to encourage a range of local contractors to apply for the opportunity to work on our Council homes. The Framework will cover a range of property maintenance and improvement activity, from day-to-day repairs and servicing to significant improvement programmes across our estates and also covers non-housing property work across the Council. The Framework will start in August 2024 and run for three years, with an option for an additional year.

The contractor capacity issues have also until recently, impacted on the number of empty Council homes that have not been let. Over the last three years we have focused on improving our processes for dealing with and refurbishing empty homes. The following graph shows the number of empty Council homes each month, between the peak of May 2022 (433 homes) and November 2023 (189

homes). One key change has been the recruitment of a new team of maintenance technicians dedicated to dealing with our empty homes, to reduce our reliance on external contractors, with the potential to increase further.

Our focussed approach has enabled an additional 220 homes being available for families in housing need compared with May 2022.

The number of empty Council homes each month



Reducing complaints and improving our repairs service

Over the last year we have expanded our call handling and repairs scheduling team to improve communication with tenants and to help with following up on outstanding works. This has seen a significant reduction in complaints (from over 100 to a handful) and an increase in compliments. We are also piloting weekend appointments to see whether this will help in reducing the backlog of works and provide more flexibility for tenants.

To continue improving the service we are planning to further expand our in-house teams from the current staffing resource of 80, increasing to 200/300 members of staff, developing our capacity and skills so that we become less reliant on external contractors. To support this, we are now implementing a new repairs scheduling system (Total Connect) which will enable tenants to request and track their repairs and help us ensure that the works carried out on tenants' homes meet their needs and are done at a time that is convenient and suitable for our tenants. The system will also help us to better manage and deploy our in-house operatives and continuously improve efficiency of the service. We will review the outputs from this in the Autumn / Winter period of 2024 to inform our in-house growth plan.

Our on-going consultation with tenants has identified seven key areas of work

Work Area	Context	Action
Repairs and Maintenance	Effective and timely maintenance service, maintaining homes to a high standard and continuing to improve the housing stock	<ul style="list-style-type: none"> • Keeping in touch with tenants and advising tenants how quickly we can carry out the works when they report minor repairs; • Clearing the backlog of non-urgent repairs that have built up; • Carrying out repairs in the timescales we have agreed or at a time that is more convenient for the tenant; • Introducing an appointments system for our responsive repairs service, using mobile technology; • Introducing automatic scheduling of repairs; • Developing and implementing a new Property Works Framework that will help widen the availability of contractors; and • Developing our in-house teams so that we have the skills and capacity to deliver repairs, adaptations and refurbishments ourselves and reduce our reliance on the private market.
Internal Works	For internal components such as kitchens, bathrooms, electrical upgrading, and central heating, we replace components when they are in disrepair	<ul style="list-style-type: none"> • Contacting tenants who have previously declined works; • Ensuring homes have the appropriate smoke alarms, heat detectors or carbon monoxide detectors, and agree with tenants how we can upgrade these components to protect their safety; and • Developing planned programmes of works informed by our ongoing condition surveys.
Damp and Mould	Prolonged exposure to dampness and mould can affect health and wellbeing.	<ul style="list-style-type: none"> • Continually reviewing and improving our processes for dealing with damp and mould to mitigate risks; • Taking a preventative approach to identifying any issues early, through home checker visits and programmed inspections; • Providing advice to tenants on what they can do to reduce damp and mould in their homes; and • Reviewing the introduction of new technology that will allow us to monitor and intervene early to prevent mould and damp from occurring in tenants' homes.
Servicing	We assess the condition of our gas, oil, electric and solid fuel appliances and meet our statutory servicing obligations. Protecting the health and well-being of our tenants by ensuring that all homes are fitted with fully compliant electrical systems, including hard-wired smoke and carbon monoxide (CO) detectors	<ul style="list-style-type: none"> • Continuing our annual programme of safety checks on gas fires, and gas or oil boilers, and replacing or upgrading where necessary with energy-efficient appliances; • Continuing our five year electrical inspection programme and upgrading where necessary; • Inspecting smoke, heat and carbon monoxide detectors installed in homes and upgrading where necessary; • Gaining access to ensure that the necessary works are completed; and • Installing servicing timers when we gain access (where a tenant repeatedly refuses access), to help protect lives.

External Works and the Environment	<p>Our homes are in a good condition, and we aim to achieve economies of scale by replacing components in disrepair; including the rendering and roofing upgrading or replacement programmes and improving the estate environment around our tenants homes.</p>	<ul style="list-style-type: none"> • Continuing to review and update our annual roof and rendering programmes to include external wall insulation and solar panels where appropriate; • Working with a range of partners to identify opportunities to install low carbon technologies to our homes; • Continuing our programme of replacing structural boundary and retaining walls; • Ensuring sheds/outhouses, gardens, paths and fencing meet our standards; and • Specific investment is planned in a number of estates over the next three years.
Empty Council Homes (Voids)	<p>Our aim is to let empty Council homes as quickly as possible, reducing rent loss and reducing the pressure on front line homelessness services</p>	<ul style="list-style-type: none"> • Make empty properties available for letting as quickly as possible and reducing the number of empty homes in the Council’s housing stock; • Completing individual options appraisals if homes are no longer fit for purpose or require significant investment; and • Ensuring every new tenant receives relevant information and certification about their new home.
Improving Standards	<p>Tenants have told us they want a standard that continues to evolve</p>	<ul style="list-style-type: none"> • Giving tenants a say through single-issue meetings, digital participation and challenge panels; • Using the data gathered by the Stock Condition and Verification Team to determine the most sensible route for improving our standards; • Continuing to implement new IT systems for asset management, repair scheduling and tenancy management for our housing stock that can be used to store data on our homes and conduct our own modelling for improving the energy efficiency performance of our homes.; • Maximising funding opportunities that allow us to test new innovative technologies that can reduce our carbon footprint and fuel bills for tenants; • Providing adaptations for our tenants to meet their needs and maintain their independence; and • Meeting the needs of households on the Accessible Housing Register (AHR) through conversion or where an empty Council property with existing adaptations is matched to a new household.

Specific estate improvement works

In addition to individual investment, where required in specific properties across the county, our ongoing programme of stock condition surveys has identified wider investment requirements that have been built into our next 3-year programme (and beyond). These include:

- **Fencing Enhancement Programme** – ongoing investment targeted at replacing fencing in estates where wholesale improvements are required;
- **Maes Glas, Llandoverly** – three-year investment programme to upgrade ten homes built using non-traditional construction that are hard to heat;
- **Danybanc & Llundain Fach, Llanelli** – a significant site-wide investment programme to address long-term drainage and other issues across the estates;

- **Woods Row Court, Carmarthen** – significant investment to remodel this prominent town centre estate and overcome site-wide roofing and repair issues; and
- **Pen y Fan and Clos St Paul, Llanelli** – reroofing of the estate to overcome water ingress issues and to improved thermal insulation.

Risk reduction measures

Approach to fire management – We have an ongoing review of fire risk assessments to our purpose-built blocks of flats and sheltered schemes. We have identified improvements to be made and an action plan has been developed. This provides a record of present risks, defects identified and the remedial action to be taken in a defined period which are monitored through our governance arrangements as set out in **Appendix A**. A work programme has been developed to improve the detection systems within these blocks of flats, the means of escape and the compartmentalisation of flats in the event of a fire.

Radon testing programme - Following guidance issued by Welsh Government and Public Health Wales, we have an ongoing programme of radon testing in all our homes located in areas where there is a greater probability of high radon levels. The highest risk areas have already been tested and measures to disperse radon are installed, where needed to reduce levels to acceptable levels. Officers from the Council are continuing to install radon detectors for three months to gather data in specific, discreet locations within homes. Remedial action is taken if levels are higher than recommended.

Surge protection upgrade - The demand on the electrical systems and consumer units in our homes has increased over time. The introduction of other renewable energy components and electric vehicle charging points in future will place further strain on the systems installed. Surge protection devices (SPD) are being installed which significantly reduce the risk associated with transient over-voltages.

The investment included in this plan for investing in our homes is summarised in the table below.

Funding	Investment	2024/25 £'000	2025/26 £'000	2026/27 £'000
Capital	Internal & external works	2,170	2,220	2,220
	Void programme & major works to homes	6,250	5,850	5,750
	Estate based refurbishment	850	1,817	2,117
	Risk reduction measures	820	820	820
Revenue	Responsive repairs & maintenance	2,437	2,537	2,645
	Void works	4,421	4,602	4,798
	Servicing	2,282	2,376	2,477
	Minor works	4,088	4,256	4,437
	Supervision & management	3,485	3,639	3,794
Total		26,803	28,117	29,058

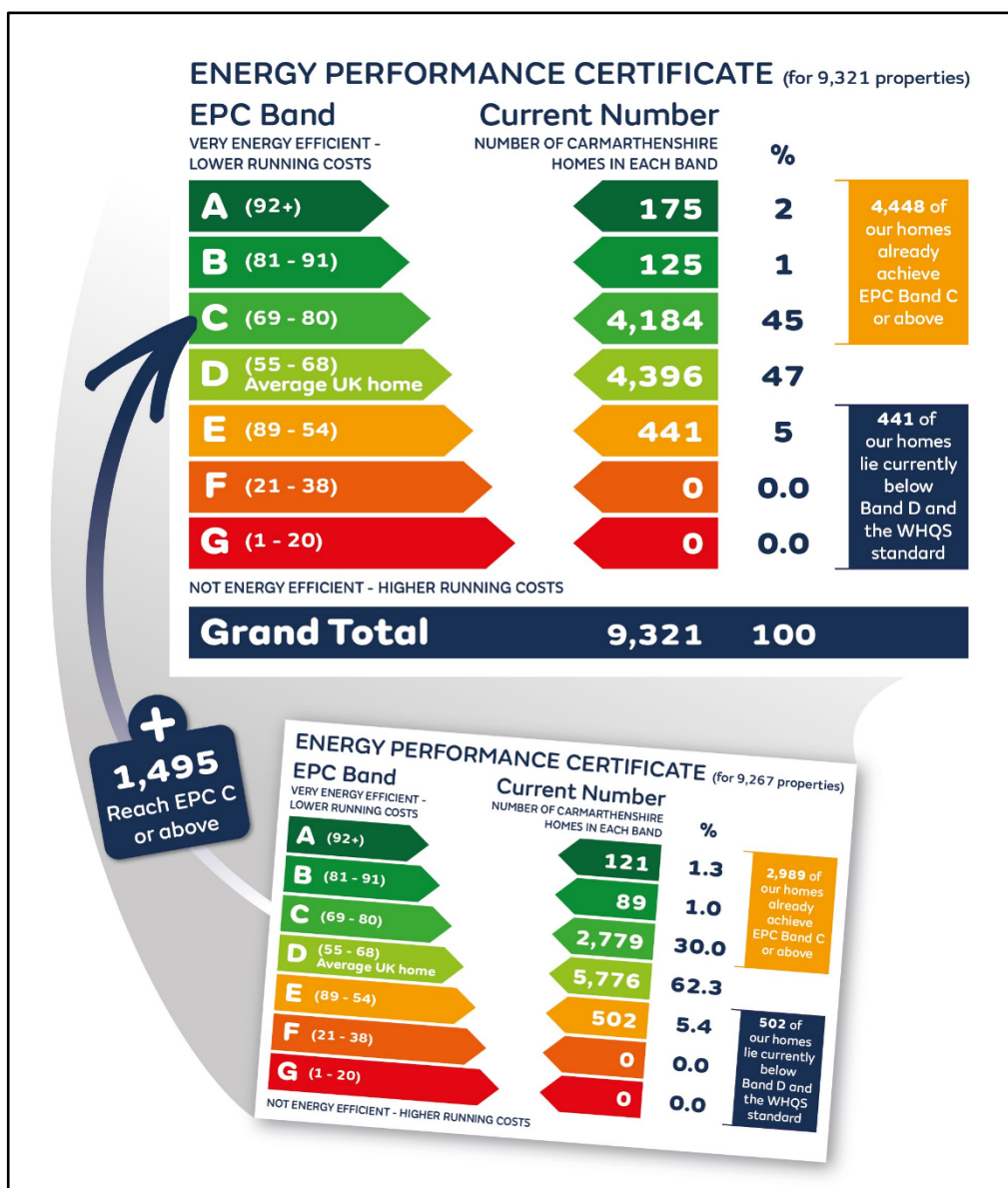
Theme 3 – Promoting Affordable Warmth and Decarbonising our Housing Stock

Promoting affordable warmth, improving the energy performance and decarbonising our housing stock is a key strategic priority for the Council which aligns directly with the Council’s net zero carbon principles.

In last year’s Business Plan, we made a clear commitment to ensure that all of our homes are energy efficient and affordable for tenants. We will achieve this by bringing all our homes up to a minimum Band C Energy Performance Rating (EPC) as quickly as possible and already nearly 50% of our homes achieve this standard.

The energy performance of our housing stock is shown below, this is inclusive of the improvements made since 2022/23.

Current housing stock energy performance rating



In 2023/24, 1,495 additional homes increased from an energy performance rating of Band D and below, to Band C and above, increasing from 32% of our stock to 48%.

Our approach to improving the energy efficiency of our homes is based on using a fabric first approach which improves the thermal efficiency of our homes. This results in our homes staying warmer for longer, meaning tenants use less energy to heat their homes. Continuing to improve the energy performance of our housing stock will help:

- reduce fuel bills for tenants helping to mitigating fuel poverty, this is particularly important today with the current cost of living crisis affecting so many of our tenants;
- grow the local economy by providing long term investment programmes;
- upskill the local supply chain and provide more training and work opportunities for local people; and
- ensure our tenants homes are fit for purpose now and for generations to come.

During 2024/25 we will continue to invest in making sure homes are cheaper to run for our tenants..

How have we achieved an energy performance rating of band C and above in nearly 50% of our homes?

The work done to our homes to achieve the WHQS by 2015, had a significant effect on the energy performance of our homes. Through this investment programme we upgraded the thermal performance of our homes by:

- installing cavity wall insulation;
- increasing the levels of loft insulation;
- lagging pipes and hot water cylinders; and
- replacing inefficient heating system with 'A' rated condensing boilers.

The work done to our homes in 2023/24, however, has had a significant effect on improving the energy performance of our housing stock beyond WHQS levels, these works include:

- improving the fabric performance (loft and/or external wall insulation) of over 130 homes across the county as part of our roofing and rendering programmes. This has ensured that more homes are warmer for longer and need less energy to heat the home in the winter;
- carrying out a pilot solar PV programme linked to the re-roofing programme;
- completing a deep retrofit to 18 homes across the county, bringing older homes to the same standard as a modern new build home with added features such as battery storage and non-fossil fuel heating systems, as well as improving the thermal performance of the homes;
- installing LED lighting to existing homes, providing cheaper energy efficient lighting for tenants; and
- installing hybrid heat pumps to 141 homes as a solution to moving towards low carbon heating for homes without putting tenants at risk of paying more for their fuel bills.

In addition to the works carried out on our existing homes over 1,350 stock condition surveys have been completed on our homes, which has not only produced updated energy performance data for the homes surveyed. It has also enabled us to model the stock condition and energy performance of over 5,200 of homes with the same archetype. This has then enabled us to update the stock condition data held in our asset management system and produce more accurate energy performance data for the stock.

The new work programmes listed above represents a change in the way we are upgrading the energy performance of our housing stock. We are looking at both the long term aims of decarbonising our homes through deep retrofit and installing fabric performance upgrades as part of our step by step approach to decarbonising homes. This allows us to reach more tenants homes each year and ensuring that no one gets left behind in our bid to combat fuel poverty and provide a greener Carmarthenshire. A summary of the works typically carried out on our homes through the retrofit programmes is shown in **Appendix E**.

Our approach to affordable warmth and decarbonisation in our new build Council homes

Our Council new build standards embrace decarbonisation. Our homes are highly efficient and already achieve a EPC Band A with SAP levels between 92 and 105. We have developed a housing performance matrix that allows us to build to different energy standards depending on the development. A breakdown of the different energy standards we currently use on our new build developments can be seen in **Appendix E**.

Our ambitious plans to support the delivery of more affordable homes will include developing innovative energy efficient homes with low levels of carbon emissions that can produce and store energy. We will continue to focus on using a fabric first approach, renewable technology, maximising the use of local products and where possible we will encourage the use of modern methods of construction (MMC).

The new Welsh Housing Quality Standard 2023 (WHQS 2023)

In 2023/24 the new WHQS 2023 was launched by WG, placing a greater emphasis on social landlords to improve the energy performance of their housing stock.

We have already placed ourselves in a strong position to meet the key milestones of WHQS 2023. We have continued to improve our housing standards from 2015 levels and are already working within the guidelines set by WG. The key milestones of WHQS 2023 for decarbonisation are:

- completing a whole stock assessment and developing individual targeted energy pathways for each home by March 2027, identifying the measures required to achieve EPC Band C initially, and also the additional measures needed to achieve EPC Band A; and
- achieving an EPC Band C rating on all homes by March 2030 using a fabric first approach.

It is, however, recognised by WG that a significant amount of funding will be required to achieve EPC Band A in the social housing stock in Wales, when budgets are already stretched. The main financial challenges include the additional cost associated with renewable technologies required to increase EPC levels from band C to band A. In addition to the financial challenges there are other key issues that also need to be addressed which include:

- supply chain shortages with the availability of renewable technologies both locally and nationally;
- the lack of local skills and trades available to install renewable technologies;
- the limited capacity of the national grid to accept the increased energy demands of additional electrical equipment including heat pumps, solar panels and batteries as they are installed in more homes; and
- an outdated SAP methodology which does not recognise some key decarbonisation measures and the improvements they make to the energy performance of our homes, this

includes electric heating sources and battery storage. These crucial gaps in the current SAP methodology limits the energy performance scores of some of our homes.

Due to the constraints outlined above, achieving EPC Band A is a long term WG commitment, with no prescribed timescale at this time. Each local authority is, however, required to develop a plan identifying what measures are required in their homes to achieve this standard.

Our approach to making our homes more energy efficient already embraces the key milestones set out in WHQS 2023. Our stock condition surveys are already underway and nearly 50% of our stock already achieves EPC Band C using a fabric first approach.

We will continue to work towards meeting our own decarbonisation targets whilst ensuring we comply with criteria of WHQS 2023.

During 2024/25 we will also look in detail at the business case to expand the programme of installing solar panels on Council homes.

Swansea Bay City Deal – Homes as Power Stations (HAPS)

The HAPS City Deal will facilitate the adoption of the Homes as Power Stations approach to integrate energy efficient design and renewable technologies into the development of new build homes and retrofit programmes carried out by the public, private and third sectors. This will tackle fuel poverty while helping residents save money on their energy bills.

The City Deal also focuses on developing a sustainable regional supply chain for renewable technology. It aims to leave a legacy of skilled jobs in the Swansea Bay City Region, ensuring that local businesses are able to grow from the increased demand for renewable technologies. It also aims to ensure that at least one technology is manufactured in the region.

In 2023, the HAPS project released the Financial Incentive Fund (FIF) to increase the level of renewable technology being installed in homes. £5.5m of funding was made available (maximum of £300k per bid) for social landlords and the private sector in the City Deal region (Neath, Swansea, Carmarthenshire and Pembrokeshire).

Ten bids were received for the Carmarthenshire region with the Council securing £616k of HAPS funding to support the development of our Council new build programme. The FIF bids directly support our aim to continue to provide low carbon, non-fossil fuel homes for tenants.

Our investment priorities for 2024/25

Over the next 12 months, we will remain focused on making all of our homes energy efficient and affordable for tenants.

The work planned for 2024/25 is outlined in the table on page 26.

Work Programme	Outcome	Action
Fabric Improvement Programme	Increasing the fabric performance of our homes that currently fall below EPC Band C.	<ul style="list-style-type: none"> • External walls - Improving the thermal efficiency of the external walls to our homes by installing measures such as External Wall Insulation (EWI) and Cavity Wall Insulation (CWI). The performance of any current insulation installed on our homes will be surveyed to measure its efficiency and improved or replace as required. • Loft insulation – Increasing loft insulation to 400mm in roof spaces. The outcome of our energy modelling research has identified that increasing loft insulation has a significant impact on increasing SAP levels and EPC ratings.
Installing hybrid heat pumps	Replacing fossil-fuel heating systems with hybrid heat pumps, reducing carbon emissions without increasing tenants fuel bills.	<ul style="list-style-type: none"> • Boiler replacement – Replacing e-grade boilers and boilers that are no longer economical to repair with hybrid heat pumps. These heating systems use a combination of both electric and gas to provide tenants with affordable heating throughout the year.
Installing LED lighting	Replacing traditional lighting with LED lightbulbs.	<ul style="list-style-type: none"> • Installing LED lighting to all our homes. This is a quick and effective way to reduce tenants' energy bills. It also has a positive impact on the SAP score and EPC rating.
Stock condition and verification programme	Producing robust stock investment programmes to ensure that all our homes achieve a minimum EPC Band C as quickly as possible	<ul style="list-style-type: none"> • Continuing the programme of stock condition and verification surveys to increase the level of detailed data we hold on our housing stock and enabling us to produce robust investment programmes for the future. • Developing energy pathways for our homes using the modelling system in SAVA and our own stock condition data, clearly identifying the measures required to achieve EPC Band C and the further measures required to achieve EPC Band A. • Completing new EPC surveys for homes where the current EPC's are now out of date or where additional investment works have been carried out.
Rooftop solar panels on Council homes and community Electric Vehicle charging points	Increasing the level of renewable technology on tenants' homes	<ul style="list-style-type: none"> • Solar panels and planned roofing upgrading works – we will install solar panels as part of our roofing upgrading programme to all roofs that are suitable. • Business case development – we will develop a business case outlining the investment required and the benefits of installing a wider programme of

		rooftop solar panels to tenants' homes and installing community electrical vehicle charging points on our estates. The business cases will consider installation costs, the financial benefits for tenants and the potential reduction in carbon emissions.
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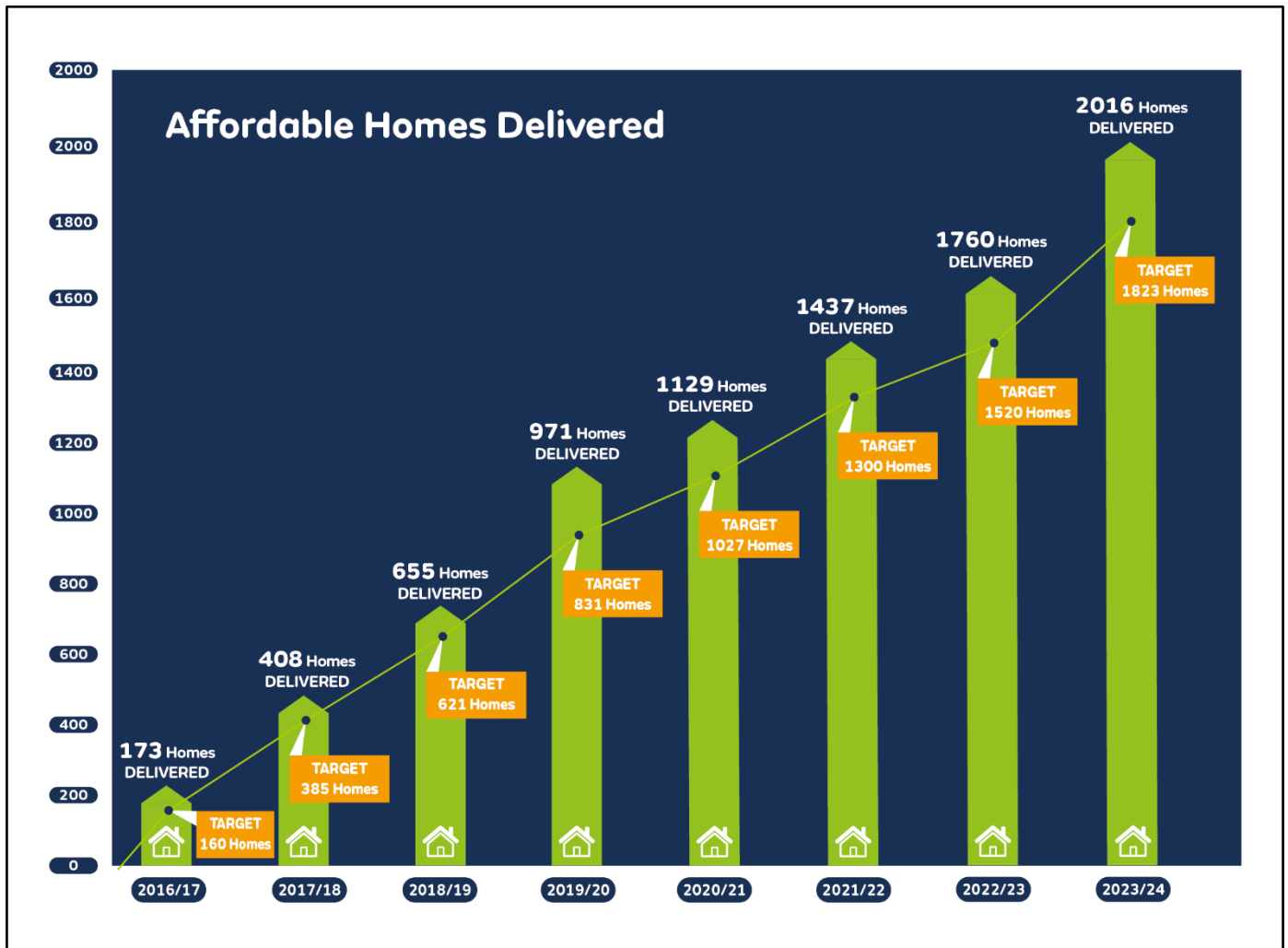
The investment included in this plan for promoting affordable warmth and decarbonising our housing stock is summarised in the table below.

	2024/25 £'000	2025/26 £'000	2026/27 £'000
Rendering, external works & increased thermal insulation	1,000	1,000	1,000
Re-roofing, increased thermal insulation and the installation of solar panels	1,525	1,679	2,205
Window & door Replacement	500	200	200
Retrofit programme (improving the energy efficiency of homes including installing renewable technology)	850	500	500
Rooftop solar panels	328	828	828
Community electric vehicle charging points	50	50	50
Increased fabric insulation to achieve EPC Band C and above	500	1,000	1,500
Installation of LED light bulbs	35	35	35
Hybrid Heating Systems	1,000	1,250	1,500
Total	5,788	6,542	7,818

Theme 4 – Delivering More Homes

We began our ambitious journey to increase the supply of affordable homes in all areas of the county in 2016. So far, we have delivered over 2,000 additional homes exceeding our delivery targets every year, helping to grow the local economy, meeting housing need and helping some of the most vulnerable people and families in our communities.

Our journey so far.....over 2,000 additional homes delivered

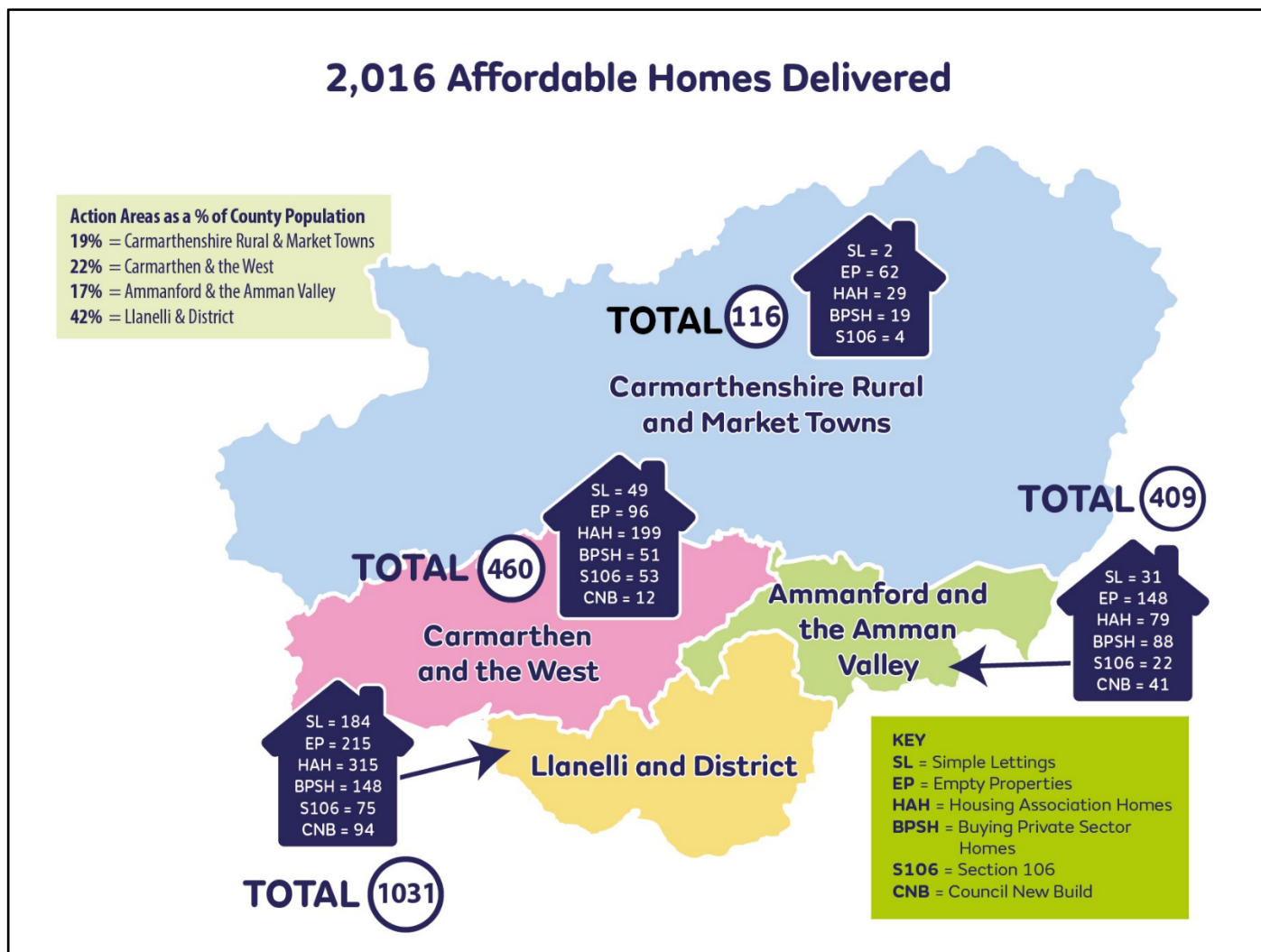


Our current Council new build programme plays a key role in increasing the supply of homes and growing the economy, but we also use a range of other delivery solutions to ensure that the programme is delivered in a cost-effective way and maximises all external funding opportunities, this includes:

- working collaboratively with our Housing Association partners to ensure that their investment programmes align with our strategic housing priorities;
- bringing empty homes back into use in all areas of the County;
- managing private sector rentals through our in-house Simple Lettings Agency;
- delivering affordable homes for low-cost home ownership through the section 106 provisions of the planning system; and
- buying private sector homes to increase our housing stock.

The buying private sector programme has played a key part in our programme. This has helped us increase supply of homes quickly with over 300 properties already purchased.

The map below shows where in the county and how the 2,016 additional affordable homes have been delivered.



Meeting housing need

Meeting housing need has always been our main reason for providing more homes.

Housing need can be met in a variety of different ways, according to the needs of the household, their financial position and the opportunities available. Our plans help address housing need in a number of different ways including:

- providing more homes for social rent, including homes for general needs households (single people and families), specialist supported housing for individuals with complex needs and accommodation for older people;
- providing a choice of mixed tenure assisted living options for older people, including our offer at the innovative Pentre Awel Wellness Village;

- providing more homes for low cost home ownership helping individuals and families own their own home;
- providing mixed tenure developments consisting of social rented, low-cost home ownership and open market homes, offering a real choice of tenures for local people and key workers depending on their individual circumstances;
- providing more affordable homes for rent and sale in rural towns and villages, helping local people stay in their communities, helping to protect the Welsh language and culture; and
- increasing the residential offer in the primary towns of Ammanford, Carmarthen and Llanelli, increasing footfall through housing-based regeneration and helping to make our town centres vibrant once more.

Over the last two years the Council has seen an unprecedented rise in homelessness cases which has had a significant impact on the demand for affordable housing in the county. This has been caused by additional legislative requirements being imposed since the pandemic, including the “no-one left out” approach. It has also been caused by external market conditions having a direct effect on the private rented sector, which is reducing the supply of homes available for rent, because of:

- private landlords leaving the market due to increasing interest rates and the longer possession timescales imposed by the Renting Homes Act; and
- increasing market rental levels due to the demand for private rented accommodation far exceeding supply. This has made the private rented market unaffordable for many local people, who are now reliant on social housing to meet their housing needs.

Meeting our responsibilities around our proportionate share of resettlement schemes has also created further demand.

These actions have had a significant effect on the supply of affordable homes. Many single person and family households by no fault of their own have become homeless. It has also had a direct effect on the Council being able to discharge its homelessness duty through the private rented sector.

Based on the current levels of housing need in the county it is more important than ever that we invest in delivering more affordable homes at pace.

Our investment priorities for the next three years (2024/25-2026/27)

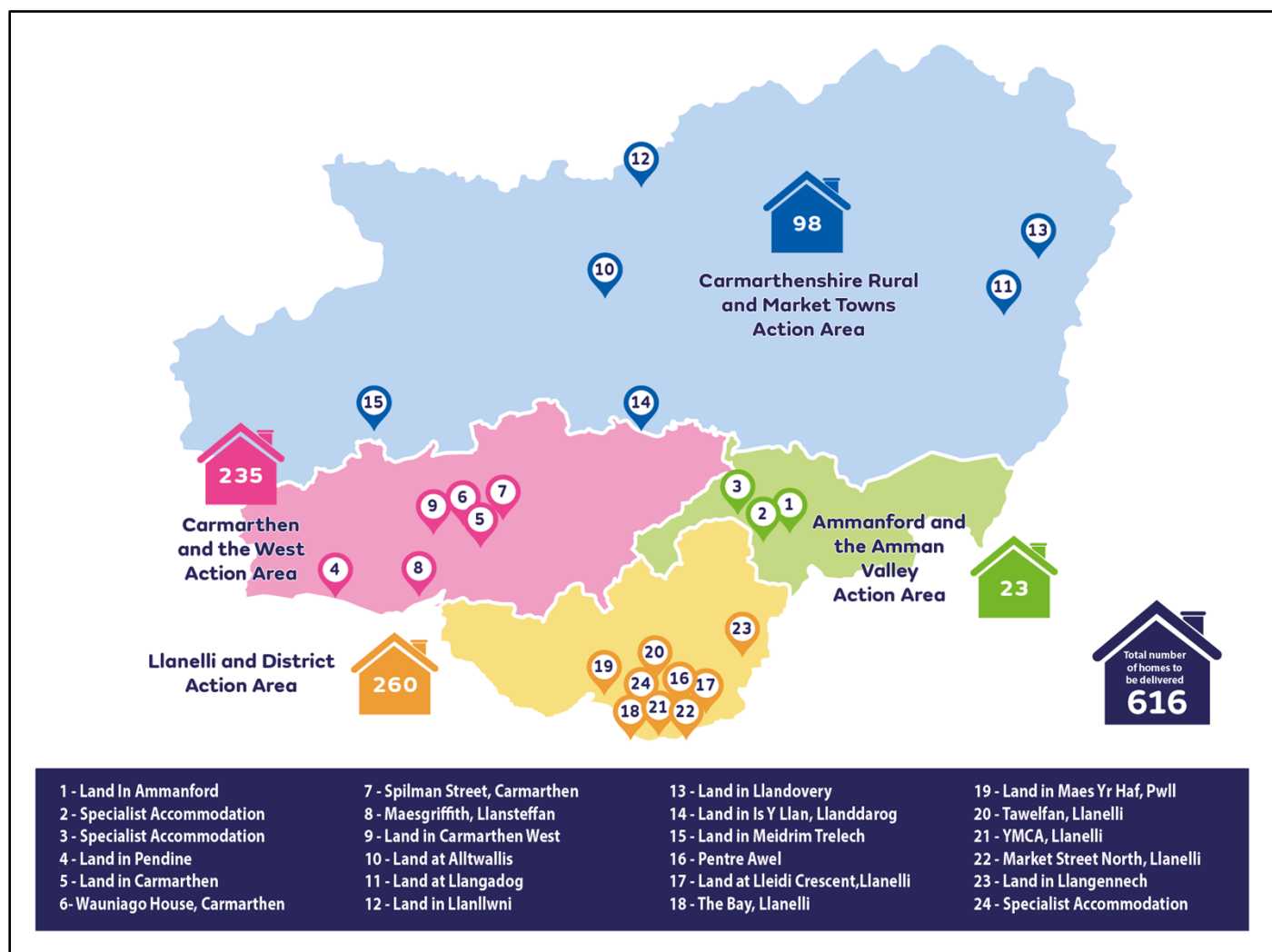
Our plans for the next three years, will continue to increase the supply of homes for both general and specialist housing need. We will also continue to use the social housing direct allocations policy developed by the Scrutiny Task and Finish Group in 2023. This policy helps manage the social housing demand and supply issues, ensuring that our homes are allocated and let to those households in greatest need.

Over the next three years, our current pipeline of Council new build developments will deliver over 600 homes.

Our new build homes will meet the individual needs of our communities and include houses, bungalows and apartments for both individuals and families. All our new build developments follow a clear set of design principles, that create new communities that are sustainable, with a real sense of place.

Our programme will also continue to deliver more homes through other solutions, including buying over 60 private sector homes and bringing empty homes back into use.

The map below shows our current pipeline of Council new build homes.



Specialist accommodation

Our current new build programme includes increasing the supply of specialist accommodation units. These units will be provided as temporary accommodation and accommodation that promotes independent living for individuals with learning disabilities and mental health (LD&MH).

We have already significantly increased the number of specialist accommodation units provided for individuals with LD&MH, creating over 40 units directly within our housing stock. This helps to promote independence, reducing our reliance on costly private sector residential placements, and making significant savings to the Council's care and support services.

Land acquisition

The current Council new build programme has focused on utilising land assets already in Council ownership. These sites have been relatively small and limited our development programme to smaller sites of between 8 and 32 homes.

The Council's land reserves are now exhausted. Our current strategy will limit our ability to continue to increase the supply of homes quickly. In addition to the developments highlighted above, we now need a new pipeline of developments which will enable us to develop large sites. This will include sites exclusively for Council housing.

Our land acquisition programme aims to pro-actively purchase land and focus our future delivery on larger sites. This will include sites that the Council will develop itself as well as working directly with landowners and developers to bring forward sites through package deals. Utilising package deals will enable the Council to accelerate its development programme, increasing supply quickly to meet local demand.

This overarching approach will ensure that our future investment plans deliver more affordable homes at scale and pace.

The investment included in this plan for the delivery of more homes is summarised in the table below.

	2024/25 £'000	2025/26 £'000	2026/27 £'000
Council new build	9,160	10,762	10,240
Land acquisition	1,600	2,500	2,800
Specialist accommodation	2,998	1,950	1,350
Buying private sector homes	3,000	2,000	1,750
Programme management	648	674	700
Total	17,406	17,886	16,840

Theme 5 – Local Economy, Community Benefits and Procurement

We recognise the importance of this plan and its role across the wider capital investment programme to stimulate, support and develop the local economy. To support economic growth, we will continue to look further to develop the Council's approach to procurement to maximise our contribution to local economic growth, focusing on social value and building sustainable communities. Our aim is to grow different economy sectors within the housing and building industry so that they and other local business benefit and thrive. It is therefore important that our investment plans:

- contribute to long term economic growth across the County;
- are sustainable in future years as we continue to invest and maintain our homes;
- enable local businesses, construction and manufacturing industries to develop, grow and lay down strong roots;
- keep the pound local, benefiting our economy and contributing directly to the prosperity of our county and its residents; and
- create new jobs and training opportunities for local people.

The housing stock investment and the Council new build programmes will provide sustained periods of trade and benefit to local contractors and builders. This will create more jobs, training opportunities and other community benefits. Our affordable housing plans have a direct focus on providing more homes in town centres and rural areas, having a direct impact on business and commerce in these areas.

The decarbonisation of our homes is also a fundamental part of our future stock investment programmes, making our homes energy efficient and achieving a minimum EPC Band C. Rolling this out across our entire housing stock will result in increased job opportunities and further training opportunities as we explore new ways of providing low carbon, energy efficient homes for our tenants. A significant proportion of the Council's housing stock is in rural market towns and in rural areas. Encouraging small to medium enterprises (SMEs) to participate in those areas will help with local employment and allow young people to stay in the community where they want to live.

Our procurement strategy aims to develop our programmes using local contractors and suppliers to stimulate the local economy. Where this is not possible initially, because of limitations on the supply and availability of local skills (e.g. homes built using Modern Methods of Construction (MMC)), we will learn from these projects and put measures in place to ensure that the skills and work force needed is available locally. We will also influence this through the Regional Skills and Partnerships workstream and through expanding our own direct employment of staff to deliver work programmes alongside the private sector, including appointment of apprentices and supporting local shared apprentice programmes.

Community benefits directly delivered through housing investment

The capital investment programme exceeds £30m per annum. This level of investment will safeguard over 200 jobs every year. Our procurement approach ensures that community benefits are delivered through the capital programme. The table below demonstrates the community benefits already delivered through the Council's first seven new build developments in Llandybie,

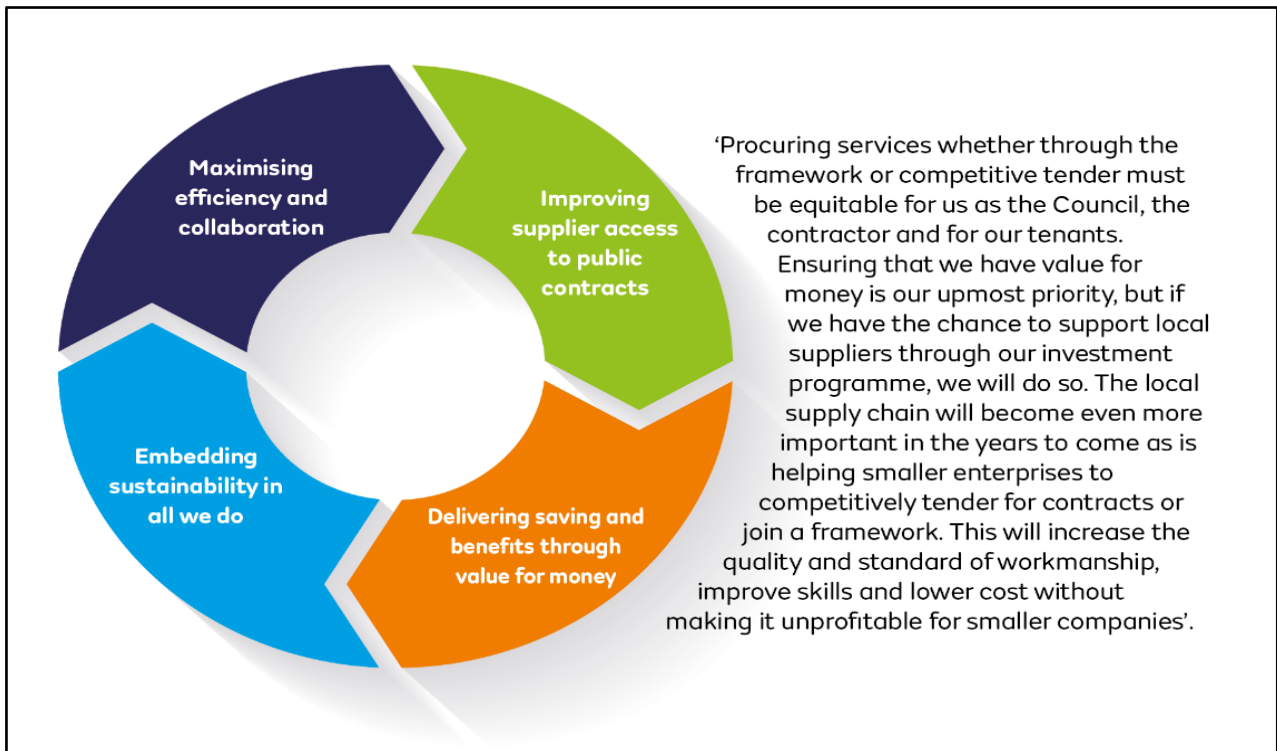
Saron, Llanelli, Burry Port, Pembrey and Carmarthen. It also shows the projected level of community benefits that will be delivered through our future housing investment programmes

Community Benefits Delivered on our First 7 New Build Developments	Projected Community Benefits for Future Housing Investment Schemes
 <p>1577 Waged training weeks have been provided</p>	 <p>600 Waged training weeks will be delivered</p>
 <p>51 Work experience placements (5 days per student) were created</p>	 <p>43 Work experience placements (5 days per student) will be delivered</p>
 <p>29 New entrant jobs were created</p>	 <p>29 New entrant jobs will be created</p>
 <p>28 Construction careers advice and guidance events delivered</p>	 <p>12 Construction careers advice and guidance events proposed</p>
 <p>73 Existing workforce employees were upskilled and provided with additional training</p>	 <p>29 Existing workforce employees will be upskilled and provided with additional training</p>
 <p>250 Targeted apprenticeships, work experience and jobs (52 weeks per £1m)</p>	 <p>1142 Targeted apprenticeships, work experience and jobs (52 weeks per £1m)</p>

During construction, contractors will also contribute to the wider local economy by increasing footfall into town centres and spending money in rural market towns/villages by accessing local amenities such as shops, supermarkets, restaurants and cafés.

It is, however, extremely important that all contracts demonstrate good value for money and through the West Wales Regional Contractor Partnering Framework and the new Property Works Frameworks, we will challenge their costs, the principles and methods of construction to make ensure that we achieve this. We will also look to keep the workforce as local as possible and benefit

the local economy by including 'environmental benefits' in a tender or contract and insisting that contractors demonstrate how they will reduce their carbon emissions.



Funding and Risk Management

Major Repairs Allowance

Every year we receive over £6 million from WG 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 WG.

The MRA makes a significant contribution towards achieving and maintaining our housing stock. A reduction in MRA levels would be detrimental to future investment plans.

Planning assumptions

To help us plan our investments, we must make certain assumptions. Changes to our assumptions may mean re-visiting the objectives included in this plan.

The current financial assumptions in the plan are based on a rental increase of 6.5%

To note

- an annual rental increase of 1% will make an additional £470k in revenue income. This additional revenue will generate an additional £6m in capital expenditure every year; and
- this is plan is also based on making £330k of revenue efficiencies over the next three years. This will help to further maximise the investment available to deliver our capital programmes.

INCOME	
Major Repairs Allowance (MRA) (capital funding we get from the WG to maintain our existing stock) and other grants e.g. Social Housing Grant, Housing for Care Funding etc.	£6.2m (MRA) each year. This is on the basis that we receive an average of £682 per home. We assume the receipt of other WG grants totalling £33m over 3 years.
Rent increase 2024/25	WG have set the maximum rent increase for 24/25 at 6.7% because the Consumer Price Index(CPI) sat outside the 3% threshold (6.7% September 2023). We have limited the rental increase to 6.5% overall with a maximum £1 progression for those tenancies below target rent. Most tenants will receive a 6.39% average rent increase which is below the level set by WG and current inflation values.
Future rent increase levels based on WG Policy	2.3% for 25/26, 2.5% for 26/27, 2.5% for 27/28, then increased by 0.5% above CPI pending revised rent policy from WG.
Borrowing and direct revenue financing (DRF)	Borrowing £32m and utilising £15m DRF over next 3 years to maintain our housing stock and develop new homes.
Expenditure/income inflation	Employees' pay at 5% for 2024/25 as per the Council Fund and general inflation at 4%.

Right to Buy receipts i.e. money we get from tenants' buying their home Other receipts from developments	No receipts from 1 st April 2015 following suspension of Right to Buy	
	Some schemes will generate capital receipts. In this plan we assume £11m in year 3.	
Balances on the revenue account i.e. the amount of money we need to keep in reserve	Minimum of £4.5m (based on £500 per property)	
SPENDING		
Assumed Borrowing costs i.e. the amount it costs to borrow money	Cost of existing and new debt: 2024/25: 4.36% Then 4.4% in future years	Cost of exiting HRAS: Average of 4.15%
Provision for Bad debt i.e. debt that we will be unable to recover	2024/25: £350K 2025/26: £357K 2026/27: £364K	

CAPITAL PROGRAMME	Budget 2024/25 (£'000s)	Budget 2025/26 (£'000s)	Budget 2026/27 (£'000s)
Supporting Tenant and Residents:			
Improving the Estate Environment	650	700	700
Adaptations	2,000	2,000	2,000
Sheltered Housing Investment	270	300	650
Investing in Homes:			
Internal & External Works	2,170	2,220	2,220
Void Programme & Major Works to Homes	6,250	5,850	5,750
Estate Based Refurbishment	850	1,817	2,117
Risk Reduction Measures	820	820	820
Affordable Warmth & Decarbonisation			
Works to deliver Affordable Warmth & Decarbonisation	5,788	6,542	7,818
Delivering More Homes			
Council New Build Programme	9,160	10,762	10,240
Land Acquisition	1,600	2,500	2,800
Buying Private Sector Homes	3,000	2,000	1,750
Specialist Housing Projects	2,998	1,950	1,350
Programme Management	648	674	700
TOTAL	36,204	38,135	38,915
SOURCE OF CAPITAL FUNDING	Budget 2024/25 (£'000s)	Budget 2025/26 (£'000s)	Budget 2026/27 (£'000s)
Welsh Government Grant - MRA	6,225	6,225	6,225
External Grant Funding – IHP, SHG, ICF & Other Grants	9,308	10,970	12,334
Direct Revenue Financing	5,000	5,000	5,000
External Borrowing	15,671	15,940	3,731

Capital Receipts	0	0	11,625
TOTAL	36,204	38,135	38,915
REVENUE PROGRAMME	Budget 2024/25 (£'000s)	Budget 2025/26 (£'000s)	Budget 2026/27 (£'000s)
Repair and Maintenance of Homes	17,979	18,728	19,524
Supervision and Management	12,532	12,793	13,067
Support Services e.g. Legal and Finance	1,866	1,903	1,941
Provision for Bad debts	350	357	364
Direct Revenue Financing	5,000	5,000	5,000
Capital Charges	15,266	16,144	16,536
TOTAL	52,992	54,924	56,432
SOURCE OF REVENUE FUNDING	Budget 2024/25 (£'000s)	Budget 2025/26 (£'000s)	Budget 2026/27 (£'000s)
Tenant Rents	50,242	51,601	54,499
Service Charges	1,051	1,293	1,318
Interest Received	611	121	122
Housing Finance Grant 2	246	246	246
Revenue Efficiencies	80	100	150
Grants / Other	1,055	1,076	1,098
TOTAL	53,285	54,437	57,433
Difference between 'Revenue Funding' and 'Revenue Spending' *	293	-487	1,001

HRA END OF YEAR POSITION:	Budget 2024/25 (£'000s)	Budget 2025/26 (£'000s)	Budget 2026/27 (£'000s)
Balance brought forward from last year	12,319	12,612	12,124
HRA budgeted difference *	293	-487	1,001
BALANCE CARRIED FORWARD**	12,612	12,124	13,126

*N.B. + is a surplus in revenue funding over spending and – is a deficit/ shortfall in revenue funding over spending

**The balances carried forward in the plan are fully committed to funding our borrowing requirements in future years.

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.

The greatest risks identified in delivering this plan are:

- maintaining up to date asset information about our stock;
- ensuring sufficient staff resources to manage and deliver our housing investment programmes;
- uncertainty of the impact of market conditions about inflation, pricing and availability of workforce to inform the 30-year cost certainty exercise; and
- the impact of balancing investment in maintaining the existing standard, introducing new measures to support decarbonisation and continuing to deliver our ambitious housing regeneration and development programme.

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.

An acceptable failure 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.

The details of our acceptable fails and compliance are set out in **Appendix D**, and our full Housing Standards compliance document is set out in **Appendix F**.

Energy efficiency

We have had several different programmes running to improve the energy efficiency of homes. These programmes have helped save tenants money on their heating costs and improve the energy performance ratings of their homes. The average SAP level across our whole housing stock is 67, however, nearly 50% of our existing housing stock already achieve an EPC Band C or above (SAP 69-80).

Independent verification

We believe that we report compliance accurately in achieving and maintaining our Housing Stock, 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 improving stock condition;
- using internal staff in conjunction with external support, where necessary, to undertake desktop reviews;
- continuing to carry out a sample programme of stock condition visits every year;
- asking tenants how they would like to be part of the process of verification;
- continuing to use a range of methods to assess compliance. Some data is already independently collected, e.g. boiler inspections, EPCs and electrical tests; and
- providing Home Information packs for all new tenants, informing them of boiler inspections, asbestos advice, Energy Performance Certificates, electrical tests and when any outstanding investment works will be carried out.