

Wiltshire Council

Cabinet

6 February 2024

Subject: Wiltshire Council's Housing Board Annual Report

Cabinet Member: Cllr Phil Alford

Key Decision: N

Executive Summary

The purpose of this report is to update Cabinet regarding the activities of Wiltshire Council's Housing Board (WCHB) between October 2022 and November 2023.

The primary role of the WCHB is to develop and approve the Housing Revenue Account (HRA) Business Plan and then to ensure that Plan is being implemented by the HRA Housing Management Service.

Throughout the year the WCHB is regularly updated about the HRA budget position, key performance indicators (KPIs), and other key activities and issues across the service. A key action in late 2023 has been the development of a new Housing Scorecard incorporating the most relevant and valuable KPIs to enhance the monitoring and management of service performance.

This Annual Report was presented to the WCHB at the AGM on 29 November 2023. It will be presented to the Environment Select Committee (ESC) on 11 January 2023.

WCHB is in its third cycle of 4 years, linked to the council's local electoral cycle; this cycle commenced after elections in May 2021 and will run until May 2025.

Proposal(s)

For Cabinet to:

- 1) Note this Annual Report.

Reason for Proposal(s)

WCHB Terms of Reference require an Annual Report to be presented to WCHB AGM and Cabinet.

Terence Herbert
Chief Executive

Wiltshire Council

Cabinet

6 February 2024

Subject: Wiltshire Council's Housing Board Annual Report

Cabinet Member: Cllr Phil Alford

Key Decision: N

Purpose of Report

1. In accordance with the Terms of Reference for the board, to update Cabinet regarding the activities of Wiltshire Council's Housing Board (WCHB) between October 2022 and November 2023 and provide an overview of the activities and performance across the HRA service.

Relevance to the Council's Business Plan

2. This report supports the Business Plan 2022 to 2032, in particular our mission to ensure 'The people of Wiltshire are empowered to live full, healthy and enriched lives', 'Our communities continue to be beautiful and exciting places to live', 'Our local economy thrives and is supported by a skilled workforce' and 'We lead the way in how councils and counties mitigate the climate challenges ahead'. Additionally, the Housing Revenue Account (HRA) actions support: 'We have vibrant, well-connected communities', 'We ensure decisions are evidence-based', 'We live well together', 'We have the right housing', 'We take responsibility for the environment' and 'We are on the path to carbon neutral (net zero)', and more around supporting vulnerable customers and supporting the local economy.

Overview and Scrutiny Engagement

3. This report is for noting by Cabinet. It was presented to the WCHB at its meeting held on 29 November 2023 and to the Environment Select Committee (ESC) at its meeting held on 11 January 2024.

Background

4. The current WCHB was appointed between May and July 2021 following a recruitment process and interviews by the Cabinet Member for Housing and Senior Officers.
5. Since 2021 there have been several changes to board membership as a result of tenant members leaving or becoming ineligible following move out of council housing.
6. WCHB meets bi-monthly to consider all matters relating to the delivery of the HRA Business Plan and the activity of the Housing Management Service. The board considers policy, performance, strategy, and high-level operational issues relating to the delivery of that service.

Overview of Key Achievements over the past 12 months

Community Support

7. Continuing Actions

- Officers continued working remotely with more movement back toward office work including 2 Housing Board meetings now being held in-person each year.
- Repairs continued with backlogs cleared and new repairs reported during 2022/23 in total were 17,971.
- Enhanced Tenancy Sustainment support secured over £816,844 in additional income for tenants.

8. Resident Engagement

- 11 full Estate Inspections with improved outcomes.
- Scrutiny returned to in-person meetings.
- Return to in-person engagement as well as continued online sessions.
- New Resident Engagement Plan 2024-2027 agreed by the Housing Board.
- 14 Small Improvement Bids delivered.
- 60 Community Club and Sheltered Scheme meetings held.
- 3 x live cookery training sessions + an online cookery course delivered.

9. Service Reorganisation

The Housing Management Service was reorganised with the customer-facing activity delivered on an area basis enhancing tenant/officer relationships, increasing local knowledge and familiarity with issues, and creating a sense of local ownership for staff.

Planned Investment in Homes

10. Planned Maintenance Programmes

The majority of the planned maintenance works are delivered across a range of works contracts. All of these were re-procured in 2023 with new contracts starting in October. The new number of contracts increased with a previous single contract for fabric works being split into 5 separate lots, encouraging smaller and more specialist providers to bid for the works. These contracts have been mobilised and new work programmes have been agreed.

11. Housing Energy Efficiency Programme (HEEP)

Progress has continued with the works to improve the energy performance, reduce costs for tenants, and reduce carbon emissions from across all properties in the HRA. Work has focused on those properties with the greatest potential increase in energy efficiency, and our current stock with air source heat pumps installed. Work included retrofit assessments, pre-works Energy Performance Certificates (EPC's), and preparing works programmes for our partnership contractors. The council continues to receive positive feedback from tenants who have benefited from HEEP works.

The key achievement this period was the completion of two model properties in the same street in Bemerton Heath. Each has been fully refurbished with identical insulation, fixtures and fittings including solar panels and electric vehicle charging

points, but with different heating systems. One house uses an Air Source Heat Pump, the other is heated by infra-red panels. We will be working with the tenants to monitor performance and cost from each system.

12. Council House Build Programme

Profiled programme expenditure:

| Phase | HRA Business Plan No. of Units | Current position – December 2023 | HRA Business Plan approved figures | Current position – December 2023 |
|-------|--------------------------------|----------------------------------|------------------------------------|----------------------------------|
| 2 | 28 | 28 | £5,773,788 | £5,803,102 |
| 3.1 | 91 | 94 | £21,950,972 | £24,939,152 |
| 3.2 | 98 | 98 | £20,446,014 | £31,016,875 |
| 3.3 | 100 | 102 | £20,000,000 | £30,829,676 |
| 3.4 | 100 | 99 | £20,000,000 | £39,701,603 |

The above revised costs are, as a result of:

- Increase in house prices since the birth of the programme some 4 years ago, this has driven up costs of market acquisitions and s106 acquisitions which are purchased at a discounted market led rate. (Peaked at approximately 14%.)
- Increased build cost has been attributed to meeting higher environmental standards and achieving zero carbon on new build homes. i.e., the new standards have seen approximately £14k increase per property for increased specification of fabric/materials and technology. (Peaking at approximately 15%.)
- In addition to the increased standards, the cost of delivering homes using MMC solutions currently comes at a premium.
- Development of New Build Sheltered Schemes is costly, they are often developed over a large footprints with wide corridors and communal space, increasing costs to the project and reducing revenue opportunity. Further additional costs within the Sheltered Projects are decanting/home loss payments and moving costs.
- Inflation still remains high, price increases are likely to occur as business margin price levels to recover losses suffered as a result of the pandemic, and ongoing conflicts. (Peaking at approximately 12%.)
- Even though materials cost increases have stabilised, there is no evidence of costs falling.
- Fluctuating labour costs are increasing/have increased due to the shortage of skilled labour.
- With materials still at historically high levels and labour costs on the increase, we explore the challenges the industry continues to face.

Note: the current position has not been agreed by the Housing Board or by Cabinet, a paper will follow later in the new year proposing agreement and which will set out

the position further. The paper will be developed to make the Cabinet aware of the increased costs, and seek approval to increase the total programme budget in line with the costs. In total, all current projects within the programme, still sit within the agreed £195m parameter.

Breakdown of Programme by delivery type, in phases.

a) Update on previously approved phases:

| Activity | Phase 3.1 | Phase 3.2 | Phase 3.3 | Phase 3.4 |
|--|-------------|-------------|--------------|--------------|
| Year started | 2020 | 2021 | 2022 | 2023 |
| Market Acquisitions | 18no | 6no | 34no** | 13no |
| S106 New Build Acquisitions | 24no* | 28no | 0 | 0no |
| Land Led Modern Methods of Construction (MMC) New Build – Zero Carbon in use | 52no | 18no | 45no | 26no |
| New sheltered homes | 0 | 40no | 20no (up to) | 60no (up to) |
| Development agreement acquisitions - (additionality) | 0 | 7no | 0 | 0 |
| Phase Total | 94no | 99no | 99no | 99no |
| Current Total of Completions and Occupations at time of writing | 48no | 22no | 29no | 0no |
| Average cost per home at time of writing | £265,258 | £312,180 | £311,410 | £401,026 |
| Fully committed | Yes | Yes | Yes | Yes |

* Phase 3.1 S106 New Build Acquisitions - 6no Zero Carbon in use

** Phase 3.3 Market Acquisitions - 30no x LAHF for Afghan and Ukrainian Refugees

b) New Build/s106 Acquisition occupied homes within the above phases to date has received an average of 80% satisfaction rate from residents. This is gauged from satisfaction surveys having occupied their home for at least 6 months.

c) Introduction on new/forthcoming phases:

| Activity | Phase 3.5 | Phase 3.6 | Phase 3.7 |
|--|--------------|-------------|-----------|
| Year started | 2024 | 2025 | 2026 |
| Market Acquisitions | 9no | 16no | 0 |
| S106 New Build Acquisitions | 20no | 0 | 0 |
| Land Led Modern Methods of Construction (MMC) New Build – Zero Carbon in use | 48no | 3no | 0 |
| New sheltered homes | 26no (up to) | 0no | 0 |
| Development agreement acquisitions - (additionality) | 0 | 0 | 0 |
| Phase Total | 103no | 19no | 0 |

| | | | |
|---|----------|----------|----|
| Current Total of Completions and Occupations at time of writing | 0 | 0 | 0 |
| Average cost per home at time of writing | £331,338 | £274,106 | 0 |
| Fully committed | Yes | No | No |

d) With Phases 3.1-3.4 fully committed:

- Phase 3.5 includes homes being purchased for Homes England's SHAP (Single Homeless Accommodation Programme).
- Phase 3.6 includes home being purchased using Homes for Ukraine funding, 13no.

e) Phase 3.6 has scope for additional housing numbers as new opportunities arise and when it reaches 100 homes, phase 3.7 will open.

f) The opportunities currently being explored for Phases 3.6 include s106/development agreement opportunities at Devizes and Chippenham and regular strategic buy back requests, mainly across southern and central Wiltshire. Land Led WC opportunities are engaged with as they are submitted to the Residential Development Team.

The phase has scope for additional housing numbers to be added now to this stage as new opportunities arise, when this stage reaches 100 homes, **phase 3.7** will open.

g) It is possible, both new build and purchasing sites can fall in and out of the programme, or deliver less units as due diligence on each takes place.

h) There are currently 505 homes within the Phase 3 (1000 homes programme). 96 homes have been delivered to date, leaving 409 within the current pipeline. 174 of the 505 homes have been acquired either by means of purchase or s106 acquisition.

i) The original programme intention was to see a 70/30 split in favour of new build.

MMC 3 Year procurement process

a) This year we have entered contract via the Southwest Procurement Alliance Framework for a 3-year MMC partner (Rollalong) to deliver up to 1,000 new homes manufactured for Wiltshire Council and Magna Housing Association.

b) The collaboration with Magna Housing will enable WC to achieve a more competitive manufacturing price than contracting alone.

c) The tender included a fixed price guarantee for any orders placed before the end of March 2023, this was triggered by the ordering of the first 83 WC homes, across 3 sites.

- d) By working together, it is possible to save costs on design and we are sharing good practice and absorbing learning already achieved with neighbouring housing providers.

Programme Progress, headlines

- a) Works have started on site of two of the three MMC Pilot sites at, Corsley and Durrington, Rowde will now follow shortly. Work is now underway for the units to be completed in the factory and the ground works contractor is on site at Durrington and Corsley preparing for the delivery of the homes.
- b) Work continues with the NHS to purchase land from them in Devizes that will see 33 affordable homes delivered, planning permission is soon to be granted following approval of the Outline application which is subject to a s106 agreement.
- c) The Lower Park Farm application in Devizes for 33 units is ready for re-submission on confirmation that the land will be allocated as designated housing land, following the conclusion of the Devizes Neighbourhood Plan consultation.
- d) The Planning Application at Bartlett House in Ludgershall has been submitted for 18 general needs affordable homes, the outcome of the application is awaited, expected early in the new year.
- e) Further Planning Applications are being worked on in the design process at Salisbury, Netheravon (subject to land purchase with the MOD), Trowbridge, Upavon and Rowde.
- f) S106 acquisition sites are entering contract negotiations stage at Trowbridge and Semington which will see the delivery of 20 new zero carbon homes.
- g) Work also continues at two sites in Mere, Corsham, and Melksham to progress new older persons accommodation within these towns.
- h) 2 homes have completed with 5 further homes in conveyance for the SHAP programme – Single Homes Accommodation Programme and are expected to be ready for occupation by March 2024. These are part funded by Homes England.
- i) To date in 2023/24, we have seen the completion of 26 homes for the LAHF programme – Local Authority Housing Fund for Ukrainian and Afghan Refugees, also part funded by Homes England and 5 x general needs properties in Salisbury. 5 x further purchases have also completed with a mix of SHAP – Single Homeless Accommodation Programme (2no), 2 x General Needs and 1 x Temporary Accommodation home.

- j) The remainder of the year is to see 41 further homes complete which are a mix of open market purchasing, land led MMC construction, development agreement acquisition and s106 acquisition.

13. Service Performance

- a) The service is replacing its Key Performance Indicator(s) document with a Housing Scorecard which was first presented to the Housing Board in draft in November 2023. The scorecard will continue to be developed with input from the Board.
- b) The Housing Revenue Account (HRA) previously carried out a STAR Survey every 2 years to understand our residents' views about our services. In 2023 the STAR survey was replaced with the Regulator of Social Housing (RSH) Tenant Satisfaction Measures (TSM) survey. This approach involves surveying one-half of our tenants each year, with the pattern repeated every 2 years.

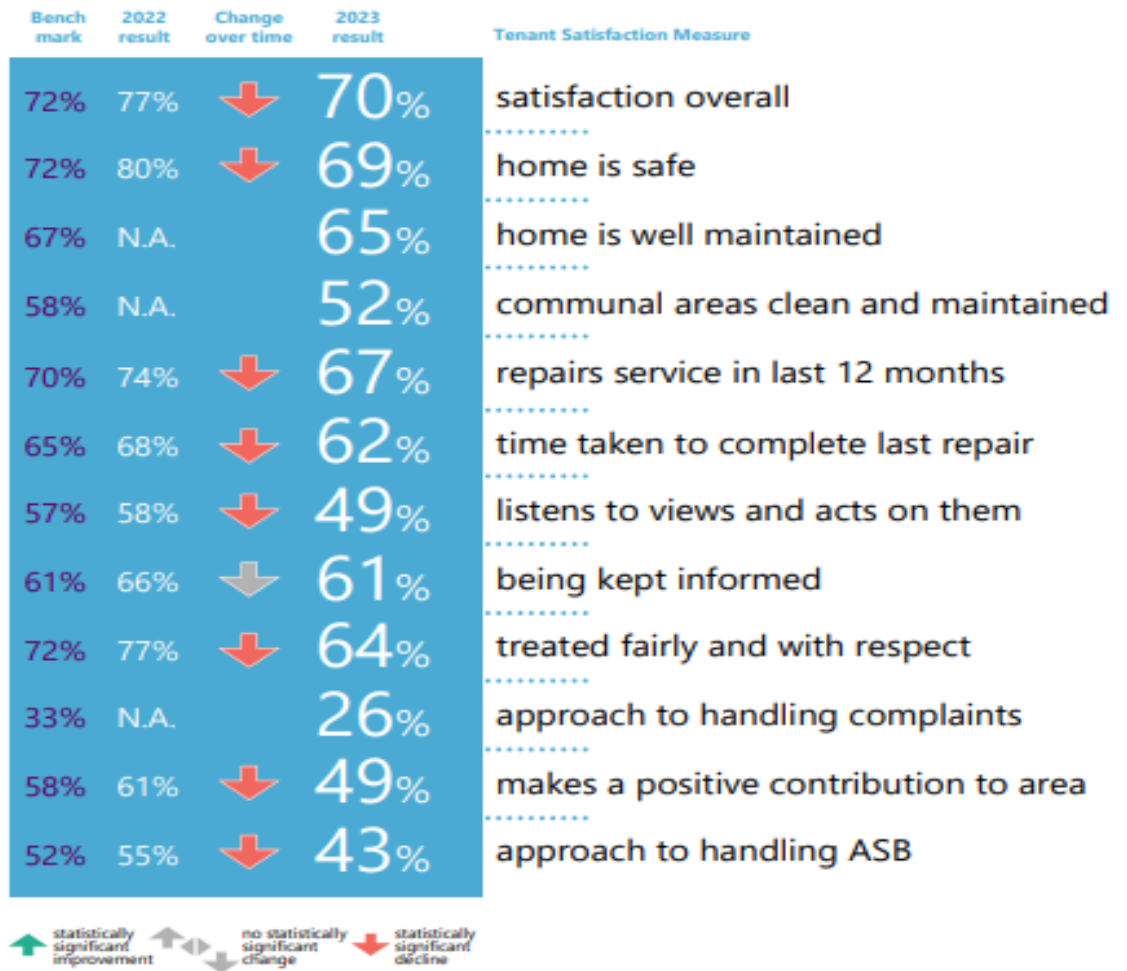
A computer-generated random sample of 2,562 households were invited to take part in the survey, which is a half census. All tenants with a valid email address on QL were sent an invitation to complete the survey via online form. After 2 weeks, tenants who had not completed via online form were sent a paper copy by post with a freepost return envelope.

As with the STAR survey, the service takes the results of the TSM and the information it provides about the tenants' views of our service and generates an improvement action plan to address the areas of concern. The service has reviewed the results of the TSM survey and for each measure has produced an action plan. The sector is understood to have seen a 5% downturn across the board. ARP Research's evidence is understood to suggest an 8% decrease across the board.

The survey will be repeated in July 2024 to the remaining households that were not surveyed this time in order to gain a full census survey.

The questions are benchmarked against ARP Research's (research partner) client database of completed TSM compliant surveys. For the overall satisfaction score this includes 14 landlords, amongst which 7 are local authorities and 3 are ALMOs.

The Executive Summary is replicated below (TSM Survey 2023, page 2):



Report outcomes were presented to the Housing Board. The Housing Board agreed to note the contents of the cover report and the full Tenant Satisfaction Measures (TSMs) report that was attached to it. The Housing Board were asked to comment on and have input into the action plans which were appended to the paper presented to the Housing Board.

c) iHousing portal

i) More residents are signed up to use our digital option.

| Former iHousing | New iHousing | | |
|---|---|--------------|------------------|
| | to November 2020 | October 2021 | 14 November 2022 |
| 900 | 1,900 | 2,467 | 2,576 |
| Approximate registered users which included inactive and never used accounts. | Approximate registered users which is growing daily, especially when we send mass email blasts, we also email new tenants after 1 week, 6 weeks and 4 months, if they have not registered. <u>Please Note:</u> for October 2023, the data is for accounts with a 'Ten[ancy] Status' ('iHousing | | |

| | |
|--|--|
| | Registered User' report) marked as 'Current'; it excludes 'Former' (870) and blank / unknown (89). |
|--|--|

- ii) More efficient and positive outcomes for customers.
- d) Resident Engagement Plan
 - i) A new Resident Engagement Plan was due to be introduced for 2024 onwards.
 - ii) Outcomes continued to be delivered, benefitting residents and their families throughout the last year.
 - iii) The Housing Board agreed to introduce a new Resident Engagement Plan at its meeting held on 29 November 2023.

14. Upcoming areas of work

- a) Upcoming areas of work for the Sub-Committees may include:
 - i) Development and Investment ('Place')
 - a. Housing Energy Efficiency Programme (HEEP)
 - b. Council House Build Programme
 - c. Sheltered Housing Refurbishments
 - d. Sheltered Housing Review
 - ii) Finance and Policy ('Pounds')
 - a. Housing Revenue Account (HRA) Business Plan – including budget setting and rent setting
 - iii) Performance and Risk ('People')
 - a. TSM Survey – Action Monitoring
 - b. Regular Risk Update
 - c. Housing Scorecard
 - d. Resident Engagement Plan
 - e. Implementing reforms coming from the Social Housing White Paper

Please Note: along with the main housing Board, all Sub-Committees would likely be involved with any matters coming from the Regulator of Social Housing and the Housing Ombudsman Service.

- b) Challenge and Change Group
 - i) Moved back to in-person working
 - ii) Key Performance Indicators (suggested by the Chairman of the Housing Board)
 - iii) Property Services Team, Voids and Notices of Promise (suggested by a Head of Service)
 - iv) Grounds Maintenance Team including what tenants want the service to develop into (suggested by a Head of Service)

c) Small Improvement Bid(s)

- i) 4 bids received for 2023/24 in phase 1
- ii) 10 bids received for 2023/24 in phase 2
- iii) Ongoing monies for future years

15. Priorities and Service Objectives

- a) Housing Energy Efficiency Programme (HEEP) – Climate Change
- b) Council Housing Build Programme
- c) Housing Board review and development

16. Membership and Attendance Record (October 2022 – November 2023)

| WCHB Member | 30/11 | 25/01 | 29/03 | 31/05 | 26/07 | 11/10 | 29/11 | Total | 2022 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------------------------|--------------|
| Councillor Phil Alford | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 (100%) | 7 (100%) |
| Rachael Arnott (Tenant Member) | ✓ | ✓ | ✗ | ✓ | ✓ | ✗ | ✓ | 5 (71%) | 6 (86%) |
| Jenny Bolwell (Tenant Member) | Not a member | ✓ | ✗ | ✓ | ✗ | ✓ | ✓ | 4 (67%) Not a member for 1 meeting | Not a member |
| Councillor Richard Britton | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 (100%) | 7 (100%) |
| Cris David (Tenant Member) | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ | ✗ | 5 (71%) | 6 (86%) |
| Kevin Ellis-Brush (Independent Member) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ | 6 (86%) | 7 (100%) |
| Glenn Loftus (Independent Member) | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ | ✓ | 6 (86%) | 6 (86%) |
| Simon Maggs (Independent Member) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7 (100%) | 7 (100%) |
| Councillor Ricky Rogers | ✓ | ✓ | ✗ | ✓ | ✓ | ✓ | ✓ | 6 (86%) | 6 (100%) |

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|----------------------------|
| | | | | | | | | | Not a member for 1 meeting |
|--|--|--|--|--|--|--|--|--|----------------------------|

17. Attendance relates to Board meetings only (that is, the figures exclude Away-Days, sub-committees, etcetera).

18. Sub-Committee Membership

19. Whilst all members are able to attend any or all of the sub-committees, membership of the sub-committees is as follows:

| Housing Board member | Development and Investment ('Place') | Finance and Policy ('Pounds') | Performance and Risk ('People') |
|----------------------------|--------------------------------------|-------------------------------|---------------------------------|
| Councillor Phil Alford | x | ✓ | ✓ |
| Rachael Arnott | ✓ | x | ✓ |
| Jenny Bolwell | TBC | TBC | TBC |
| Councillor Richard Britton | x | ✓ | x |
| Cris David | ✓ | ✓ | ✓ |
| Kevin Ellis-Brush | x | ✓ | x |
| Glenn Loftus | ✓ | x | ✓ |
| Simon Maggs | ✓ | x | x |
| Councillor Ricky Rogers | TBC | TBC | TBC |

Safeguarding Implications

20. There are no significant safeguarding implications associated with this report.

Public Health Implications

21. There are no significant public health implications associated with this report.

Procurement Implications

22. There are no significant corporate procurement implications associated with this report; although should the Board make recommendations regarding procurement of services to be delivered to residents, then this will become a consideration.

Equalities Impact of the Proposal

23. All Board members operate in and treat all residents in a fair and balanced manner, maintain their independence and make recommendations to Housing Management. Board members do not represent a particular area; they represent all council residents in the county of Wiltshire and make recommendations in the best interests of all council residents in Wiltshire. The service continually works toward Housing Board membership better reflecting council house residents, in respect of the protected characteristics of the Equalities Act.

Environmental and Climate Change Considerations

24. There are no significant environmental or climate change implications associated with this report. That is because the report is for noting not making a decision. Members may consider the HEEP programme discussed above and net-zero MMC housing in relation to environmental and climate change considerations.

Workforce Implications

25. There are no significant workforce implications associated with this report.

Risks that may arise if the proposed decision and related work is not taken

26. Wiltshire Council's Housing Board would fail to meet the requirements of its Terms of Reference, namely to provide an Annual Report to Cabinet.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

27. Vacancies can occur from time-to-time; there is a risk that there may not be any applicants for vacant posts, however recent experience demonstrates that there was a wealth of applicants for member types (councillor, independent or tenant). We will continue with the same recruitment approach, where necessary.

Financial Implications

28. There are no significant financial implications associated with this report.

Legal Implications

29. There are no significant legal implications associated with this report.

Options Considered

30. A formal report to Cabinet is required. No alternative options were considered.

Conclusions

31. There is increasing evidence that Wiltshire Council's Housing Board is having a positive impact on the quality of service provision to residents and their families, has itself created

an additional opportunity for residents to engage with the service and shaped further engagement opportunities.

Proposal

32. For Cabinet to:

- 1) Note this Annual Report.

Reason for Proposal

33. Wiltshire Council's Housing Board's Terms of Reference require an Annual Report to be presented to Cabinet.

James Barrah (Director - Assets)

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2 January 2024

Appendices

Appendix A – Annual Report to Tenants and Leaseholders 2022/23.

Background Papers

The following documents have been relied on in the preparation of this report: TSM [Tenant Satisfaction Measures] Survey 2023.