

**CARTREFI CYMUNEDOL GWYNEDD's (CCG's) ANNUAL REPORT  
(2016/17) TO GWYNEDD COUNCIL**



<b>Report for</b>	Discussion
<b>Date</b>	30 January 2018
<b>Author</b>	Ffrancon Williams, Chief Executive
<b>Purpose</b>	To present CCG's annual report to Gwynedd Council's Care Scrutiny Committee
<b>Financial implications</b>	Not applicable
<b>Risk management</b>	Low
<b>Appendices</b>	None

## **1.0 Introduction**

- 1.1 It is a requirement of the Transfer Agreement that for a period of 7 years from the transfer date, CCG submits an annual report to the Council as to how it has implemented the promises made to tenants in the Offer Document and obligations under the Agreement.
- 1.2 This report – the last of its kind - serves this purpose, and covers CCG's seventh year of operation from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017.

## **2.0 Scope**

- 2.1 The scope of the report covers the following areas:

1. Delivery of offer document promises
2. Welsh Housing Quality Standard (WHQS) and associated investment works
3. Consultation arrangements with tenants and leaseholders
4. Obligations under the Agreement (Nomination and Housing Agency Agreements, Service Level Agreements and Housing Benefit Protocol)
5. Elected Members' protocol
6. Partnership working on strategically important housing items
7. Other operational matters

## **3.0 Delivery of offer document promises**

- 3.1 Members will be aware that at last year's Communities Scrutiny Committee (24/11/16), the Council formally agreed that CCG had completed all promises within the Offer Document made to tenants.

## **4.0 Welsh Housing Quality Standard (WHQS) and associated investment works**

- 4.1 Whilst the focus of CCG's investment programme for the first 5-6 years was to achieve compliance with WHQS, the focus thereafter is to maintain the stock to WHQS standards whilst also progressing new development opportunities and other business initiatives. The expenditure on Capital and Investment Works for 2016/17 was £10.5m with an additional £4.0m spent on building new homes.

- 4.2 Targeted Recruitment & Training (TR&T) and Community Benefit opportunities continue to be at the forefront of activities within Assets & Investments through the Capital Investment and Development Programmes

Core social clauses relating to Training & Employment were included in all new build, capital investment framework and both refurbishment of non-traditional properties contracts requiring all service providers to generate 52 training weeks for every £1M expenditure – this keeps in line with Welsh Government i2i guidelines set under WHQS.

The below table summarises the number of training opportunities delivered through these TR&T clauses during 2016/17;

Retained apprentices	13
New apprentices	15
Retained Trainees	3
Unwaged work experience placements	10
Total training opportunities generated	41

The non-core social clauses, encourage service providers to engage in wider community benefits and to contribute and support where possible, local community initiatives and projects through in-kind donations (materials or financial), in-kind labour or staff hours. The following projects / initiatives have been engaged / supported during 2016/17:

- Provision of bench for Abererch Rd Park, Pwllheli. (Gareth Morris Construction)
- Re-lighting of Hirael Community Centre, Bangor. (Gareth Morris Construction & Adever)
- Refurbishment works to the scouts and guide hut in Pwllheli. (Wates)
- Educational presentation to Coleg Menai and Coleg meirion Dwyfor (SBS)
- Provision of work experience placements to Job Centre + individuals (Gareth Morris Construction)
- Provision of site experience for full time Level 2 apprentices at Coleg Meirion Dwyfor, Dolgellau under Creative Solutions scheme. (Gareth Morris Construction)
- Provision of footpath at Llwyn y Ne, Clynnog (G.H James Cyf.)
- £500 pledges towards Aberdyfi Community Council activities (Wilmot Dixon Environmental Services)

CCG's 'Building Experience' work placement scheme was held for the 3rd year with two Coleg Menai students receiving 5 weeks paid work placement over the summer in various teams within the Assets and Investment directorate.

- 4.3 Table 1 below indicates CCG's compliance with the WHQS by component as at 31<sup>st</sup> March 2017. These are the figures presented to Welsh Government as part of their annual WHQS monitoring arrangements.

**Table 1 : Stock compliance with the WHQS by component, at 31<sup>st</sup> March 2017**

	<b>Component</b>	<b>Stock at 31/03/17</b>	<b>Compliant</b>	<b>Non-Compliant</b>	<b>Acceptable Fail</b>	<b>Compliance</b>	<b>Percentage fully compliant*/ compliant* with acceptable fails</b>
1	Roofs & components	<b>6,237</b>	6,237	0	0	100%	<b>100.0%</b>
2	Windows	<b>6,237</b>	6,237	0	0	100%	<b>100.0%</b>
3	External doors	<b>6,237</b>	6,237	0	0	100%	<b>100.0%</b>
4	Kitchens	<b>6,237</b>	5,838	41	358	94%	<b>99%</b>
5	Bathrooms	<b>6,237</b>	5,989	49	199	96%	<b>99%</b>
6	Central heating system	<b>6,237</b>	6,237	0	0	100%	<b>100.0%</b>
7	Electrical	<b>6,237</b>	5,897	0	340	94%	<b>100.0%</b>
8	Mains smoke detectors	<b>6,237</b>	6,237	0	0	100%	<b>100.0%</b>
9	Gardens and external storage	<b>6,237</b>	6,237	0	0	100%	<b>100.0%</b>

## **5.0 Consultation arrangements with tenants and leaseholders**

### **5.1 Tenant and resident consultation**

During 2015/16, a new strategy was developed to replace the previous 2012/15 Local Tenant Participation Strategy. This 2016-2020 Customer Participation Strategy was approved by CCG's board in May 2016 and subsequently implemented. The new framework aims to address our customers' current and future needs. It provides a range of different opportunities to engage with CCG which include traditional and more informal means, more local opportunities and more innovative means, .... for example, via digital media.

Following successful consultation with our tenants, CCG joined "Rental Exchange" a system which improves those tenants' credit rating whose rent accounts are not in debit, thereby enabling them to access cheaper credit.

### **5.2 Consultation with Leaseholders**

A review of CCG's Leaseholder Policy was carried out in the year, with successful engagement of Leaseholders. The policy has improved our service to Leaseholders and involved the publishing of a Leaseholders Handbook and carrying out specific staff training on the Policy's content and specific management arrangements for Leaseholders.

### **5.3 Other engagement activity**

#### **5.3.1 Estate Walkabouts**

CCG continued with our programme of summer estate walkabouts across the county. We visited approximately 600 properties the length and breadth of Gwynedd including Clynnog, Trefor, Bryncrug, Coed Mawr (Bangor), Dolgellau, Llanllyfni and Waunfawr. We used the visits to gather general comments from our tenants on the services they receive from CCG.

#### **5.3.2 CCG Junior Warden Scheme**

Our innovative Junior Warden Scheme was run again during the summer of 2016 and continued to be a great success involving children from Llanllyfni, Talysarn and Maesgeirchen schools. 14 children accompanied CCG's Neighbourhood Wardens during a 5 week period over the summer holidays. They were given the opportunity to learn about CCG and the wardens' day to day work and also visit and learn from numerous other partners such as the Police, Fire Service, Air Ambulance, Magistrates Court etc.

The aim of the scheme is to help raise awareness amongst young people of the effect that crime and disorder or anti-social behaviour has on our communities.

## **6.0 Obligations under the Agreement (Nomination and Housing Agency Agreements, Service Level Agreements and Housing Benefit Protocol)**

### **6.1 Common Housing Register Partnership**

The Gwynedd Common Housing Register was implemented on the 10<sup>th</sup> September 2012, the arrangements under this Partnership Agreement replaced the Nomination and Housing Agency Agreement. The Housing Options Team within Gwynedd Council is now responsible for managing the Common Housing Register in accordance with the Common Allocations Policy.

#### **6.1.1 Key successes:**

- The first away day for members of the Housing Options Team partnership took place to share best practice and focus on operational improvements around unacceptable behaviour criteria, reducing transfer requests and sheltered properties' allocations.
- Some work has taken place in reviewing the Common Allocations Policy around placing more emphasis on the affordability of tenancies in light of continued Welfare Reform. This should lead to more sustainable tenancies going forward
- A business process review of CCG's allocation service took place with recommendations made to streamline and increase the efficiency of our allocation processes

#### **6.1.2 Things that did not go quite so well:**

- Despite the collaborative working mentioned above, the operation of the Housing Options Team continues to be an area of tension amongst partners with agreed activities and deadlines not being completed or missed. Examples being the report on customers satisfaction still awaited and the agreed criteria as regards unacceptable behaviour not being applied. These issues have been formalised with dialogue ongoing between CCG, the partners and the Council.

#### **6.1.3 Challenges in the year ahead:**

1. To work with partners and the Council to improve the effectiveness and efficiency of the Housing Options Team's service. Key areas of focus will be improving the housing advice given to potential applicants and to ensure applicants fully understand the costs of running their homes and thereby maintaining their tenancies in the light of continued welfare reform
2. Determine the future direction for the Housing Options Team Service Level Agreement

### **6.2 Service Level Agreements**

Gwynedd Council delivered the following Service Level Agreements (SLA's) on behalf of CCG during the 2016-2017 financial year:

1. Grounds Maintenance Services.
2. ICT support (Wide Area Network provision and support and Application Support – Geographical Information System (GIS)).
3. Pest Control Services.
4. Drainage Services.
5. Closed Circuit Television System (CCTV) Services.
6. Street Lighting Services.

In addition, Gwynedd Council delivered the following contracts on behalf of CCG, having been awarded the contracts following a competitive tender process:

1. Payroll Services.
2. Communal Cleaning Services (Dwyfor area).

Furthermore, Gwynedd Council also delivered certain aspects of Legal Services to CCG.

A position statement for each of the SLA's and contracts is given below:

1. Grounds Maintenance Services – this contract was retendered following an OJEU procurement process with Gwynedd Council successfully winning the tender. Some service issues were experienced during the summer of 2016 under the old contract, but early indications under the new contract arrangements which came into effect from April 2017 appear to indicate an improved service.
2. ICT support (Wide Area Network (WAN) provision and support and Application Support – Geographical Information System (GIS)). During 2016-17, CCG took the decision to move all our IT equipment including the telephony system to a data centre (rather than a server based system, located on site). The movement of the ICT infrastructure to a data centre, necessitated a review of CCG's network provision. There were a number of limitations imposed on CCG with our continued use of the PSBA network managed by Gwynedd Council on our behalf. This required CCG to sign an alternative contract with another network provider and we therefore had to cease our SLA agreement with Gwynedd Council. Although it was our intention to continue to use the GIS services from Gwynedd Council, unknown to us, the provision of GIS was dependent on the PSBA network and we therefore had to seek an alternative solution. After a small procurement exercise (which included Gwynedd Council), CCG have selected Cadcorp as our GIS provider and therefore reluctantly we had had to terminate the GIS SLA with Gwynedd Council.
3. Pest Control Services – The SLA has been extended for a further 12 - month period until April 2018. The service provided is effective, and is delivered within the required timescales.
4. Drainage Services – the SLA has been extended until April 2018, with a view to undertake an OJEU procurement process to implement a new contract from that date. The service delivered by Gwynedd Council is of a high quality.
5. Closed Circuit Television System (CCTV) Services – CCG withdrew from this SLA from April 2017.

6. Street Lighting Services - existing arrangements with Gwynedd Council were continued during the year. The service provided continues to be effective with good working relationships maintained.
7. Payroll Services—as a result of the effective service provided within the contract, the contract has been formally extended until March 2018.
8. Communal Cleaning Services – Gwynedd Council deliver the communal cleaning contract in the Dwyfor region only. Performance is consistently good with high standards maintained.
9. Legal Services – CCG retendered legal services in the year with a new framework coming in to force on 01/01/17. Gwynedd Council's legal department were successful under Lot 1, and provide legal services for property, planning, contracts and procurement matters. The bulk of their work to date has involved the purchase and sale of land.

#### 6.2.1 Key successes:

1. A good working relationship has been maintained with Gwynedd Council staff during the period where their involvement remains in the relevant SLA despite on-going changes in terms of service delivery within a number of the contracts
2. Gwynedd Council's Grounds Maintenance service has responded positively to the new contract arrangements.

#### 6.3 Housing Benefit Protocol

The Housing Benefit Protocol sets out commitments for Gwynedd Council and CCG to work together in order to ensure prompt payment of rent to tenants. Housing Benefit is an important source of income for CCG and it is vital that service level agreements and standards are adhered to, to ensure swift processing and administration of tenants' claims.

CCG and the Council have continued to work well together in dealing with the impact of the Welfare Reform. Any ad-hoc queries or discrepancies were dealt with promptly. A good working relationship overall has meant that general queries and problems have been kept to a minimum.

The main challenge in the year ahead is continued Welfare Reform and in particular responding to the imminent roll out of Universal Credit and the cap on Local Housing Allowance payments.

#### 7.0 **Elected Members protocol**

Members will be aware of the elected members' protocol, which introduced at point of transfer a single point of contact within CCG for members. All members' requests (except those of a day-to-day maintenance nature) are logged, actioned and monitored within CCG with the aim of providing an improved and more responsive service to members.

CCG feel that a strong and effective working relationship has been built with elected members and feel that the relationship is growing into a partnership that is moving communities forward.

## 8.0 Partnership working on strategically important housing items

CCG is a member of numerous partnership groups and has taken an active part in several strategically important housing issues, such as:

1. **Continued implementation of the Common Housing Register, Common Allocations Policy and Housing Options Team**
2. **Homelessness** –CCG continued to provide a number of its properties for the Council's use to house homeless applicants on a temporary basis to assist with the Council's statutory obligations; 18 properties were placed on a lease agreement for Gwynedd Council's use.
3. **Local employment** – since transfer when 170 members of staff were TUPE'd across from the Council, CCG continues to employ a significant number of staff with 269 staff employed as at end of March 2017. This is a significant increase on last year where 244 members of staff were employed. In addition, several other local employment opportunities have been secured through CCG's capital investment programme and our service providers
4. **Provision of affordable housing** – CCG have made great progress in bringing forward a number of development opportunities and now have greater representation on Gwynedd Council's Planned Development Programme (PDP). This has meant that CCG was able to assist the Council in ensuring full expenditure of the annual Social Housing Grant (SHG) allocation and any slippage monies that became available. During 2016/17 CCG constructed 21 new housing units, acquired an additional 3 and brought 15 units back into use; a total of 39 units.  
A new Development Strategy and Land Management and Disposal Strategy were approved by CCG's board which, collectively, will allow CCG to produce a land bank, dispose of asset liabilities and achieve our aspirations of providing 300 affordable homes through various tenures by 2020. This ambitious target will assist Gwynedd Council and other local authorities to utilise their full allocation of Social Housing Grant or Housing Finance Grant and ensure Welsh Government deliver on the national target of 20,000 affordable homes by 2020.
5. **Disabled Adaptations** – the joint Adaptations Panel with the Council continued to meet on a regular basis to ensure tenants' need for adaptations were addressed as effectively as possible within the resources available.
6. **Welfare Reform** – CCG continued to contribute to various multi-organisational Welfare Reform task groups with the aim of preparing the people of Gwynedd for Welfare Reform. CCG staff supported tenants to apply for Discretionary Housing Payments administered by the Council. This grant has had a positive impact on the sustainability of many of our tenancies. There is concern that the demands on the Discretionary Housing Payment will increase when further changes to welfare benefits are introduced (Universal Credit, Benefit cap, Local Housing Allowance Cap....)

- 7 **Gisda** – Gisda manages one of the blocks in Tre'r Gof, Caernarfon. This provides young people who have been through Gisda's intense support programme a safe environment in which to demonstrate that they can maintain their own tenancies. This is valuable move-on housing that frees up space to other youngsters in need of housing support. The Local Housing Allowance cap will have a serious detrimental impact on this scheme if no additional provision for supported housing is introduced.
  - 8 **North Wales Police** - CCG's partnership with North Wales Police on early intervention goes from strength to strength. This allows early sharing of information on potential issues involving our estates or tenants, and a proactive approach to prevention and resolution of such issues.
  - 9 **Health** –CCG is an active member of the #2025 movement set up to address health inequalities in North Wales. We have also worked closely with Betsi Cadwaladr Health Board staff representatives on mental health matters to improve their understanding of housing issues and, in particular, to facilitate timely and easier access to mental health services for some of our tenants.
- 10 Public Service Board (PSB)** – although not a statutory member, CCG has recently joined the PSB for Gwynedd and Anglesey.

## 9.0 Other operational matters

### 9.1 Supporting People

During 2016/17 CCG continued to work closely with the Council's Supporting People team to support our vulnerable and older tenants to sustain their tenancies.

The Sheltered Warden, Community Alarm and Floating Support services are well regarded by their service users, but their funding is dependent on Supporting People grant

CCG continues to be concerned about the future of the supporting people grant allocated to CCG and has taken part in national campaigns to influence Welsh Government to protect this funding stream through the "Let's keep on supporting people" campaign.

### 9.2 Welsh Government's (WG's) new Policy for Social Housing Rents

As reported last year, the Welsh Government introduced a new policy for Social Housing Rents which CCG implemented in April 2014. This policy sets a rent band for each Housing Association into which the overall average rent for the Association must fall. Associations have the freedom to set the rent for each property and although the policy does not clearly prescribe how target rents for individual properties should be set, CCG have continued to apply principles of our previous policy and determined a target rent for each property.

Under this policy the Welsh Government continues to determine the annual inflationary increase and have placed a £2 cap on any additional increases to be

applied to the weekly rent. Overall rent increase must be lower than the overall limit of CPI (based on the rate at the previous September) plus 1.5% plus a maximum of £2 per property. The Welsh Government's proposal is to limit the inflationary increase to CPI + 1% from 2017/18 onwards. Although not formally agreed, this may present difficulties for CCG due to the shortfall in income as our current business plan assumes a rent rise of CPI plus 1.5%.

In addition, Welsh Government has commissioned consultants to review the national rent policy. It is unclear at the time of writing this report when these consultants are scheduled to report their findings.

#### 9.3 Rent/Income Management Collection

The arrears total as a percentage of current tenants' rent collectable stood at 1.89% for the 2016/17 financial year compared with 1.8% for the previous year.

CCG continues to support tenants financially affected by the Government's Welfare Reform and changes to the Housing Benefit System. Monitoring the impact of Welfare Reform continues to be a priority area for CCG now that Universal Credit has begun to be rolled out in Gwynedd; experiences so far indicate that those tenants claiming Universal Credit wait a minimum of 6 weeks before receiving their first payment, immediately resulting in equivalent arrears on their rent accounts. The impact of the Housing Benefit and Local Housing Allowance (LHA) caps are major concerns to CCG both of which may impact our future financial viability if rental income cannot be protected.

#### 9.4 Empty (void) properties

Performance against this key performance indicator continues to be an area of focus. Whilst the rent loss from void properties stabilised to an acceptable level at 1.11% at the end of the period down from 1.99% the previous year, the average time taken to let a property stood at 50.39, which is too high. The lettings service has consequently been the subject of a business process review, the recommendations of which will be implemented during 2017/18.

#### 9.5 Direct Labour Organisation (DLO)

- Members will be aware that CCG's in-house Repairs & Maintenance service has been subject to the implementation of a transformational improvement plan to provide a modern, customer focused and cost-effective service, the transformation has progressed well with the key highlights being:
- Significant improvements in productivity with the average jobs completed having increased from 3 to 6 per day per operative. This also led to an increase in appointments made whilst maintaining high performance of appointments kept (96.65% with an additional 4200 appointments offered)
- A greatly improved "Right First Time" performance for repairs completed from 80.32% to 91.41%.
- Performance for emergency repairs also improved from 97.83% to 99.0%
- A significant reduction in expenditure on sub-contractors

- A reduction of £10/hour in the service's charge out rate. Further reductions are planned to enable the service to be able to compete with private contractors and thereby achieve the service's growth aspirations
- Corporate risk was mitigated as compliance across all heating (gas, oil and solid fuel) work streams was maintained

Year	Solid Fuel	Oil	Gas
2016-17	98.98%	99.81 %	99.84 %
2015-16	100.00 %	100.00 %	99.97 %

Note:

all properties deemed non-compliant due to tenants refusing access are subject to ongoing legal processes.

More service improvements are planned within the coming year with a clear focus on achieving value for money and improving our customers' experience of the service.

#### 9.6 Health, Safety, Quality and Environment (HSQE)

CCG maintained its OHSAS 18001, ISO9001 and ISO14001 accreditations during the year.

#### 9.7 Regulation and Governance

##### 9.7.1 Regulatory Assessment (RA)

Part 2 of the Housing (Wales) Measure 2011 (the Measure), which amends Part 1 of the Housing Act 1996 gives powers to the Welsh Ministers to regulate RSL's in Wales. The measure provides the Welsh Ministers with enhanced regulatory and intervention powers.

In the Autumn of 2016, the Welsh Government Housing Regulation Team undertook a Regulatory Assessment (RA) on behalf of the Welsh Ministers. The Regulatory Assessment is designed to provide CCG, tenants, service users and other stakeholders with an understanding of how well we are performing, at a specific moment in time, against the delivery outcomes relating to:

- Landlord services
- Governance
- Financial management

The RA was undertaken in accordance with the risk-based approach to regulation set out in 'The Regulatory Framework' and associated guidance 'Improving the implementation of the Regulatory Framework: a risk based approach to regulation' and 'Sector risks facing housing associations in Wales'.

The Regulator utilises information and knowledge gained through ongoing regulatory engagement with CCG, together with information provided to inform regulatory opinion.

The final report and conclusions were published in December 2016, and is available on CCG's and Welsh Government's website; they were accepted as a reasonable and fair assessment by CCG's Board.

The relationship with the Regulator remains healthy with regular contact maintained over the financial year, with particular attention given on the agreed focus areas which included;

- Ensuring the Tîm Trwsio repairs and maintenance service continues to improve in order to provide tenants with a quality service
- Conducting annual and robust Board appraisals, to ensure the Board continues to build on and develop its mix of skills and experience, to enable it to effectively discharge its functions and responsibilities
- Development of an effective succession plan for Board members;
- Seeking to improve the gender balance on the Board when recruiting for appropriately skilled Board members
- Ensure the Board's ambition to develop new homes for tenants over and above the targets set within the Association's Development Strategy is robustly risk assessed, planned and adequately funded, in order to positively contribute to the supply of affordable housing

#### 9.7.2 Financial Viability Judgement (FVJ)

The Welsh Ministers have powers under section 33A of the Housing Act 1996 to regulate RSLs in Wales in relation to the provision of housing and matters relating to governance and financial management. Regulatory assessments undertaken follow a risk based approach which seeks to make a judgement relating to the financial viability of the Association. The judgements fall into one of three categories: 'Pass', 'Pass with closer regulatory monitoring' or 'Fail.'

Following the Welsh Ministers review they concluded in April 2016 that CCG's Financial Viability Judgement was '**Pass**', which is the highest of the three available judgements, and is defined as:

**"The Association has adequate resources to meet its current and forecasted future business and financial commitments"**

The Regulator's judgement was mainly explained as;

- CCG has prepared the 30-year financial forecasts using a reasonable set of assumptions.
- CCG has adequate secured loan facilities in place to fund its forecasted spending on property maintenance and improvements, and it has sufficient income generating ability to service and repay such borrowings.
- CCG's 30-year forecast shows that it should continue to operate within the lenders' covenants under reasonably foreseeable scenarios.
- CCG has reported achievement of the Welsh Housing Quality Standard in 2015 and has used stock condition survey information to inform costs included in its 30-year forecast to continue to meet this standard.

### 9.7.3 CCG's board membership

CCG's Board consists of 12 members, 4 of which are tenants, 4 are independent members and 4 are elected members nominated by Gwynedd Council. During the 2016/17 year:

- i) The Gwynedd Council nominees remained consistent with the previous year, with Councillors Stephen Churchman, Anne Lloyd Jones, Michael Sol Owen and John Wyn Williams serving on the Board.
- ii) Three long serving tenant representatives retired from the Board (Margaret Bracegirdle; Nerys Williams; Anne Foote) and two new members were welcomed - Alan Field and Lari Parc. Despite efforts to fill the remaining 2 tenant member seats, we were unsuccessful.
- iii) The Independent Members played a significant role during the year with Medwyn Hughes serving as Chair of the Board and Mark Jones serving as Vice-Chair. Abigail Tweed took on the Chair of the Customer and Communities Committee. David Halsall retired from the Board however Paula Jewson (a Co-opted Member) took his seat which allowed for a smooth succession.

The reclassification of Housing Associations in Wales from the private to the public sector by the Office of National Statistics which took place in November 2016 has significant ramifications to the way Housing Associations operate in Wales. In particular, it may place restrictions on Housing Associations' borrowing arrangements - were borrowing to be restricted compared to current arrangements then Housing Associations would not be able to complete as many new developments as they do now.

The ongoing consultation by Welsh Government considers how Government control may be reduced, with a number of proposals being proposed. One of which is to abolish the "Golden Share" held by Local Authorities on LSVT's in Wales, and minimise Local Authority Board representation to a maximum of 24% (of the board).

As a consequence, like all other LSVT's in Wales, CCG will be looking at its board membership arrangements during 2017/18 and will seek regular dialogue with Gwynedd Council on the way forward.

#### 9.8 Performance Management

The staff performance management on line system (Cynllun Llwyddo) has been embedded into business as usual and occurs bi-annually. Staff are set personal objectives for the year which are reviewed after 6 months. Staff's performance and behaviours are appraised against our corporate values, which are: fair, accountable, open, innovative and approachable.

#### 9.9 Programme Management

CCG has successfully delivered a number of important projects of strategic and corporate importance during 2016/17 under its Programme Management Framework. These included:

- Tîm Trwsio Improvement Project
- Land management strategy
- Welfare Reform Phase 2 (Universal Credit)

CCG has continued to embed a programme management approach to effectively manage its organisational development agenda. The approach has proved successful in the delivery of multiple projects to time and ensuring adequate resources for their delivery, whilst safeguarding delivery of day to day business activities.

During 2016/17, CCG also embarked on a Business Transformation Programme which seeks to radically change the way that we do business with our staff and customers. (see next section)

#### 9.10 Business Transformation

CCG's Business Transformation Programme has been established to deliver the following objectives:

1. Change the way we work to ensure CCG operates more effectively, and provides better value for money to its customers.
2. Staff can work more flexible in a way that suits them and the customer.
3. Services will be offered to customers in the method they require, at the time they require.

There are three main work streams within the project:

1. Office Transformation incorporating organisational development.
2. Business process re-engineering.
3. Digital transformation.

These programmes are the catalyst towards providing a dynamic shift in the working culture of CCG.

## What went well?

- **Office Transformation.** CCG's offices will be reduced from 8 to 4 by January 2018 (Bangor, Caernarfon, Porthmadog, Dolgellau), supported by a number of satellite offices providing better access to our tenants (Pwllheli, Bala, Barmouth) and delivering financial savings to the business.
- **Working space** is more flexible. New features include office redesign, dual screens, lockers, hot desking, and the ability to work from anywhere within the county.
- **Organisational Development.** New policies and processes for agile and flexible working have been introduced. The appraisal system's been revised, with the process focused on outcomes.
- **Digital Transformation.** ICT infrastructure is now based within a cloud based solution providing the flexibility the business desires to facilitate growth.
- Investment in mobile working technology has resulted in CCG officers being able to conduct their work on a mobile basis via an i-pad incorporating Total Mobile Technology. The ability to complete workflows electronically, including job scheduling, forms, appointment booking and being able to complete work anywhere within Gwynedd.
- Business Process re-engineering (BPR). Reviews have been conducted across several departments, and change is being implemented as a result. This includes void property; invoicing and appointment scheduling processes.

### 9.1 Customer Care

#### **Improvements to Customer Feedback**

Receiving feedback from our customers plays a vital role in how CCG continuously improves the service we provide. During the past year significant changes have been made to ensure the quality of the feedback we receive improves and that lessons are learnt about where positive changes can be made to services.

#### **Customer Satisfaction**

As part of our Customer Service Action Plan, CCG commissioned an external consultation specialist (Mustard) to carry out a review of our customer consultation methods. The review concluded that the current method of conducting our Annual Tenant Satisfaction Survey and individual service surveys wasn't adding value to CCG as it wasn't providing quality insight and feedback about what aspects of CCG tenants were satisfied or unsatisfied with.

Following this review CCG has implemented a new method of conducting customer satisfaction surveys. The survey will firstly ask for feedback regarding a recent service they've received from CCG and then about their overall perception of CCG as their social landlord. The surveys are all conducted over the telephone which allows us to ask for further information as to why a tenant may have scored CCG positively or negatively. Initial results from the new method have been very positive.

## **Complaints**

How CCG have investigated and responded to customer complaints in 2016/17 has greatly improved. We have transformed the complaints process from being a target driven process to a resolution focused process. The new complaints procedure means that a thorough investigation and response is given to the complainant in the first stage of the complaint along with a visit if appropriate. If the complainant is unsatisfied with the initial response and investigation they can escalate the complaint to the attention of the Senior Leadership Team. Since introducing the new complaints policy we've seen a significant decrease in the number of complaints being brought to the attention of the Public Services Ombudsman for Wales.

### **9.12 Future relationship with Gwynedd Council**

CCG aims to maintain a positive relationship with Gwynedd Council going forward

## **10.0 Conclusion**

CCG continued to invest in its stock and services to ensure ongoing compliance with WHQS and improving the customers' experience. Maximising the benefit to our tenants and communities continued to be a key focus area in all that we do.

It is particularly pleasing that our staff numbers have increased during the year from 244 to 269 as at end of March 2017 and that our development programme is going from strength to strength and is on track to provide 300 affordable homes through various tenures by 2020.

CCG will continue to grow during 2017/18 with an ambition to work in partnership with key partners.

## **11.0 Recommendation**

The Council are asked to note the contents of the report.