

## CARTREFI CYMUNEDOL GWYNEDD's (CCG's) ANNUAL REPORT (2014/15) TO GWYNEDD COUNCIL

<b>Report for</b>	Information and discussion	
<b>Date</b>	17 <sup>th</sup> September, 2015	
<b>Item</b>		<b>Paper</b>
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<b>Purpose</b>	To present CCG's annual report to Gwynedd Council's Communities Scrutiny Committee	
<b>Financial implications</b>	Not applicable	
<b>Risk management</b>	Low	
<b>Appendices</b>	None	

### 1.0 Introduction

- 1.1 As noted in the Transfer Agreement, CCG is required to submit an annual report to the Council as to how it is implementing the promises made to tenants in the Offer Document and obligations under the Agreement.
- 1.2 This report serves this purpose, and covers CCG's fifth year of operation from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015.

### 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

Most of the above points are discussed in detail at regular monitoring meetings with the Council held every quarter. Consequently, this report is not intended to repeat the level of detail previously presented, but rather to summarise key successes in the period and highlight areas of activity that did not go quite as well as was hoped and inform members of challenges faced in the coming year.

### 3.0 Delivery of offer document promises

- 3.1 167 (98.8%) of the promises within the Offer Document to tenants "Your Home, Your Choice" had been successfully delivered, as at end of March 2015.

Two promises were outstanding. The first relates to the overall completion of the WHQS improvement programme – Council officers are aware of the slippage in the

programme relating to some sheltered properties and non-traditional properties, and that action plans are in place to ensure completion of the programme by the end of September. The second relates to completing responsive repairs at first visit to the property, this is subject to close monitoring to ensure the promise is delivered as soon as possible.

### 3.2 Key successes:

1. The continued partnership working with CCG's Service Providers ensured that the progress on achieving WHQS remained on course. At 31 March 2015 the number of compliant elements since transfer were as follows:
  - Kitchens - 5,360
  - Bathrooms - 5,408
  - Heating - 5,731
  - Electrics - 5,358
  - Windows - 6,246
  - Doors - 6,003
2. During the latter part of 2014/15, the main WHQS investment contracts have been in the demobilisation stages which mean that contracts have slowly been brought to an end with contractors and staff moving on to other contracts. During the same period, CCG restructured the Assets and Investments directorate to reflect the reduction in major works being managed through the department. Despite this, CCG managed contracts through to a successful conclusion as well as starting the procurement process for the next tranche of investment work covering the period 2015–2020.
3. The WHQS improvement programme continued to provide local economic benefits. At the end of March 2015, a total of 257 staff were employed on the WHQS improvement programme across Service Providers, with 248 (96%) from the North Wales area, 169 (66%) from Gwynedd. The Targeted Recruitment & Training Unit continued to work with the contractors to ensure that 24 trainees including 16 apprentices were engaged on the programme as at March 2015. Our Service Providers' commitment to develop and retain staff also ensured that 8 newly qualified apprentices were also working on the WHQS improvement programme as of March 2015. As work streams and the WHQS improvement programme draws to a close, Service Providers' staffing levels have decreased and as a consequence so have the apprenticeship and traineeship figures.
4. CCG previously received national recognition for the unique procurement model developed as a part of the WHQS investment programme and were winners of the Association of Consultant Architects (ACA) annual Innovation and Partnering award (2013), and the Outstanding Contribution award in the Wales National Procurement Awards (2014). CCG have subsequently been praised for the way local businesses and local people have benefited from the jobs and apprenticeships created and received the Community Benefit award in the 2015 Wales National Procurement Awards.

5. All CCG's service providers continued to buy into the concept of putting something tangible back into the community with in excess of 100 community benefit schemes having been provided by them as at the end of June 2015 totalling a value in excess of £100K.
6. CCG's Asset & Investment Directorate successfully piloted a work placement scheme during the summer of 2014 financed from Community Investment contributions from our WHQS Service Providers. The 'Building Experience' scheme offered four Coleg Menai students, undertaking the Construction & Built Environment courses, 5 weeks paid work experience within various teams in the directorate. This gave them hands-on experience of working within the housing and construction sector. Two of the students were offered full time posts with two external consultants as a direct consequence of being involved on the scheme. The 'Building Experience' scheme will run again in July 2015.
7. Following the re-structure of the Repairs & Maintenance (R&M) service in October 2013 and the filling of posts by January 2014, the service concentrated during the year on reviewing all areas of service delivery and improving performance paying particular attention to the risk areas to the business such as reducing the void turnaround periods, addressing hazards brought to our attention under the Housing, Health and Safety Rating System (HHSRS) and Housing Disrepair cases. The R&M service also dealt with the severe storm damage incurred to our stock during the last quarter of 2013/14 with over 3600 additional inspections and 2100 repairs carried out in 2014/15.
8. CCG successfully upgraded its mobile solution for the workforce; Repair requests are now delivered to tablet devices which also provide the workforce with full access to emails and the company intranet improving efficiency and communication.
9. A Business Continuity plan was put in place which was tested successfully with very little disruption to our services for our customers.
10. During 2014/15, CCG's Community Investment Fund awarded grants amounting to £254,601 supporting 50 community groups and organisations to develop various projects in the Gwynedd area. This helped the organisations secure further investment through 'match funding' totaling £2,680,301 during the year. Since its inception and up to March 2015 a total of 180 community projects have benefited from grants totaling £975,699 awarded through CCG's Community Investment Fund with additional investment in excess of £5.6M having been secured through "match funding".
11. Fire Risk Assessments (FRA's) were undertaken on all our flats and sheltered housing units during 2013/14 and a programme of work was then agreed to improve fire safety within them. This included work to move toward a "Safe to Stay" rather than a full evacuation policy in certain accommodation blocks. The FRA programme of work has progressed well during the year with the majority of the recommended actions having been completed in the year with the whole project expected to complete by September 2015. As part of the work, bike sheds have been put in place so that tenants in flats have space to store items

such as bikes and pushchairs, thus making communal areas safer. During the year, CCG was also awarded a Community Safety Award as part of North Wales Fire and Rescue Service's Awards as a result of our collaborative work in the community on fire safety.

12. In May 2014 CCG's board agreed an ambitious Development Strategy to build over 200 affordable homes over the next 5 years. Steady progress is being made in achieving this target with all preparatory work completed within the year to build 18 new affordable housing units. All these units attracted either Social Housing Grant or Smaller Properties Grant and building work should be complete by the end of March 2016. They are spread across 3 sites: Tan y Bryn and Ty Gegin, which are on the Maesgeirchen estate in Bangor and in Lôn Abererch in Pwllheli.
13. During the year, CCG achieved OHSAS 18001, ISO9001 and ISO14001 accreditation for our Health and Safety, Quality and Environment management systems, respectively. This was the culmination of 2 years hard work by CCG's management team and staff and has proved to be an important step for the business. CCG will now be routinely monitored twice a year by the accreditation body, Lloyds Register Quality Assurance (LRQA) with the first follow up assessment scheduled for August 2015.
14. CCG introduced its first Safeguarding policy. This policy applies to all vulnerable groups that CCG staff have contact with during the course of their work. In introducing this policy, CCG improved and documented internal processes and created a safeguarding fact sheet for tenants. A responsibility matrix has been developed and all relevant managers and staff have been trained to the appropriate level - including how to report concerns.
15. During the year, CCG continued to improve the information held about its tenants so as to enable more effective targeting of our services to take place. A review of the data required was carried out and gaps in our existing data were identified and a data cleansing exercise also took place. This will be a continued area of focus during 2015/16 in order to support the delivery of our 2015-2020 Corporate Plan.
16. CCG continued to build upon our suite of strategic and operational policies and procedures; key strategies developed or reviewed during the year included the Communication, Procurement, Value for Money and Land Management Strategies.
17. CCG successfully recruited two new Directors to its Executive Management Team (EMT). The Director of Resources and Director of Assets and Infrastructure commenced employment with CCG on 1<sup>st</sup> June 2015. Their recruitment significantly reduces the risk to the business having run with a depleted EMT for several months.
18. CCG continued to mainstream Equality and Diversity throughout the organisation. CCG are working in partnership with the North Wales Registered Landlord Equality Partnership (NWREP) to ensure best practice and

performance benchmarking and with Tai Pawb, who promote Equality and Diversity within the housing sector in Wales.

19. CCG successfully introduced a Social Housing Pension Scheme (SHPS) in June 2014 for auto enrolment purposes. Both the employer and employee contributions are significantly less in the SHPS than in the Local Government Pension Scheme (LGPS). However, staff have the option to opt out of the scheme should they wish to, and join the LGPS. This gives staff a choice as to which is the best option for them depending on their personal circumstances, whilst also protecting CCG's financial position for the future.
20. CCG held its largest ever staff day at Pritchard Jones Hall, Bangor University. Around 250 employees attended and took part in workshops. There was also a session on developing CCG's 2015-2020 Corporate Plan where staff were given the opportunity to have their say regarding what they felt CCG's priorities should be for the next five years. Comments were fed into the process of developing the new corporate plan.
21. During the year and in consultation with tenants, managers and staff, the Board developed a new Corporate Plan for the business covering the period 2015-2020. This is available for members to view on CCG's website. The exercise provided the Board with an opportunity to reflect on the achievements of the first five years, and to look forward to the future. In doing so, the organisation's Vision and Values were reviewed. The new, revised Vision for CCG is:

**To be a leading provider of quality housing – meeting the needs of customers, valuing communities**

This is supported by the new core values, as follows:

- **Fair** – Make consistent and objective decisions which promote equality and respect diversity
- **Accountable** – Be effective and take responsibility for the decisions we make and the things we do
- **Open** – Be honest and transparent in everything we do
- **Innovative** – Be ambitious and open to new ideas and new ways of working
- **Approachable** - Be accessible and easy to work with at all times

The 2015/20 Corporate Plan sets out the strategy for CCG for the next 5 years, and determines:

- the priorities for the Board and staff to deliver,
- what we invest our time and resources in delivering, and
- the framework governing our decisions and monitoring our progress.

The Plan includes a set of four key themes and goals;

- **Customers** – We will aim to meet the needs of our customers and encourage their involvement in shaping how services are designed and

delivered

- **Development and Growth** – Grow as a business to ensure our long term viability
- **Assets** – Manage our assets to sustain their value and maximise income and ensure they meet our customers' needs
- **Sustainable Communities** – Promoting sustainable communities by working in partnership to deliver effective services

These themes and goals are supported by 14 detailed objectives, all underpinned by 6 guiding principles to facilitate their delivery. These are:

- **Finance and Governance**
- **People and Technology**
- **Communication**
- **Partnership**
- **Value for Money**
- **Health, Safety, Quality and Environment (HSQE)**

### 3.3 Challenges in the year ahead:

1. To complete all remaining WHQS works and to successfully procure and mobilise contracts in relation to the 2015-2020 investment program.
2. To complete the rollout of our new residential fire management arrangements.
3. To improve customer satisfaction. The fourth annual Tenant Satisfaction Survey was carried out in October 2014 with disappointing results. The findings highlighted a slight decrease in customer satisfaction with some services when compared to the previous year. Among the key messages were that 72% of respondents were satisfied with the quality of their home (compared with 53% in 2011 + 74% in 2013), 88% (90% in 2013) believed that CCG were easy to contact and that the response was friendly, 80% (82% in 2013) were satisfied with the way CCG dealt with Rent and Service Charges.
4. To implement CCG's development strategy and achieve the challenging targets set for the provision of new affordable homes. This will be dependent on securing additional funding.
5. To mitigate the financial impact of Welfare Reform measures on CCG as a business and to support our tenants through the changes including the implementation of Universal Credit, scheduled for the Autumn of 2015 for Gwynedd.
6. To deliver on the objectives of the new 2015-2020 Corporate Plan and embed the new vision and values amongst all staff.
7. To continue to embed CCG's staff performance management system (Cynllun Llwyddo) and ensure individual objectives are linked to our new Corporate Plan.
8. To maintain accreditation of the HSQE management system.
9. To achieve improved performance in relation to our Repairs and Maintenance service and improve turnaround time and costs in relation to empty properties.
10. To react to any further reductions in Supporting People Grant by considering, as appropriate, reducing the service and staffing levels that provide support to sustain our older and vulnerable tenants' tenancies.
11. To continue to work with Gwynedd Council's Housing Options Team to improve services to prospective tenants and improve efficiencies in the letting of our

homes.

12. To recruit to key senior management posts including the Director of Customers and Communities.
13. Developing a commercial aspect to CCG's business and explore tendering opportunities to carry out work for other local organisations, but at the same time ensuring that this is not to the detriment of CCG's customers.
14. To extend CCG's mobile working capabilities to other departments within the business and develop a framework to provide customer access to CCG's services using digital technology.
15. To reduce the costs of managing the turnover of tenancies by working with existing tenants who express an interest in moving by resolving tenancy issues thereby sustaining their tenancies, or to use Mutual Exchange to facilitate a move to a more appropriate property.

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

- 4.1 Members will recall that CCG has adopted an innovative procurement strategy whereby the total WHQS investment works was divided into two parts; approximately 50-60% tendered under OJEU procurement rules likely to attract a main contractor to manage the works, and 40-50% tendered under more traditional "non-OJEU" arrangements likely to attract more local (SME) companies. All contracts incorporated principles of the i2i Can Do Toolkit for Targeted Recruitment and Training to maximise the benefit of this significant investment in housing to the local economy through the provision of new jobs, training opportunities and opportunities for local businesses in the delivery of the WHQS programme.

In respect of the main contractor OJEU Tender, the Lovell Partnership was appointed for 50-60% of the work on Internal and External programmes with 40-50% given to the Trade Contractors. The Main WHQS programme has now largely been completed and CCG do consider that this procurement model has been very successful in delivering large scale refurbishment works and in engaging SME's as Trade Contractors. Of the original Trade Contractors appointed, GM Jones and Falconer completed the Internals, EWE and Gelli Civil Engineering the Externals and PH Jones the heating programmes. These Trade Contracts were labour only contracts with Symphony and Travis Perkins supplying CCG with kitchens and materials, respectively.

- 4.2 The expenditure on investment works (excluding the CFU) for 2014/15 was £24.5m with an additional £3.3m spent on environmental improvements.
- 4.3 Table 1 below sets out the commercial and contractual status for each of the various contract packages.

**Table 1 : CCG's Service Providers**

<b>Task Activity</b>	<b>Windows &amp; Doors</b>	<b>Fire Risk</b>	<b>Main Internal</b>	<b>Main External</b>	<b>Non Trads</b>	<b>Trade Internal</b>	<b>Trade External</b>	<b>Environmental</b>	<b>Supply Chain</b>
<b>Tender</b>	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete
<b>Board Approval</b>	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete
<b>Signed Contract</b>	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete
<b>Pilot</b>	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete	Complete
<b>Main Contract</b>	Complete	On Site	Complete	Complete	Complete	Complete	Complete	Complete	On Site (Symphony Complete)
<b>Completion</b>	Complete	September 2015	Complete	Complete	August 2015	Complete	July 2015	Complete	July 2015
<b>Contractor</b>	Nationwide	Nationwide	Lovell	Lovell	Lovell	GM Jones Falconer PH Jones	EW Evans Gelli G M Jones	EW Evans Gelli GM Jones	Travis Perkins Symphony

- 4.4 Table 2 below indicates CCG's compliance with the WHQS by component as at 31<sup>st</sup> March 2015. These are the figures presented to Welsh Government as part of their annual WHQS monitoring arrangements. Members will note compliance levels have increased compared to last year in line with the volume of work completed as part of the investment programme.

**Table 2 : Stock compliance with the WHQS by component, at 31<sup>st</sup> March 2015**

	Component	Stock at 31/03/15	Fully compliant* stock for given component at 31/03/15	Compliant* stock for given component subject to acceptable fails at 31/03/15	Non-compliant* stock for given component	Percentage fully compliant*/ compliant* with acceptable fails for given component	Expected year of full compliance for all stock for given component	No Work required/ refusals	Forecasted work 2015-16
1	Roofs & components	<b>6,256</b>	5,480	221	555	<b>89%</b>	2015	221	555
2	Windows	<b>6,256</b>	6,246	7	3	<b>100%</b>	2015	7	3
3	External doors	<b>6,256</b>	6,003	48	205	<b>97%</b>	2015	48	205
4	Kitchens	<b>6,256</b>	5,360	622	274	<b>96%</b>	2015	622	274
5	Bathrooms	<b>6,256</b>	5,408	584	264	<b>96%</b>	2015	584	264
6	SAP Rating ≥ 65	<b>6,256</b>	3,500	213	2,543	<b>60%</b>	2015	213**	2,543**
7	Central heating system	<b>6,256</b>	5,731	259	266	<b>96%</b>	2015	259	266
8	Electrical systems	<b>6,256</b>	5,358	557	341	<b>95%</b>	2015	557	341
9	Mains smoke detectors	<b>6,256</b>	5,851	155	250	<b>96%</b>	2015	155	250
10	Gardens and external storage up to and including the boundary of the property	<b>6,256</b>	4,507	615	1134	<b>82%</b>	2015	615**	1134**

\*=compliant properties includes any properties where a particular element of WHQS is not applicable and hence not assessed

\*\*= Figures subject to change pending receipt of on going improvement schemes and stock condition surveys.

4.5 Key successes:

1. Our Service Providers remained stable during the year delivering good volumes and performance. They were as follows:

<b>Contract</b>	<b>Internals</b>	<b>Externals</b>	<b>Fencing / Paths</b>	<b>Heating</b>
Main	Lovell	Lovell	N/A	N/A
Trade	GM Jones / Falconers	EWE	Gelli	PH Jones
Supply	TP / Symphony	Travis Perkins	Travis Perkins	Travis Perkins

2. It is worth noting the following has been achieved in the 2014/15 financial year by CCG's Service Providers:

- WHQS spend for 2014/15 resulted in the following completions in the period:

- a. 370 Kitchens improved
- b. 361 Bathrooms Improved
- c. 165 Heating Installations
- d. 282 Rewires

- At the 31<sup>st</sup> March 2015, 257 employees were engaged on the WHQS programme and of these employees:

- a. 248 (96%) live in North Wales
- b. 169 (66%) live in Gwynedd
- c. 182 (71%) are Welsh Speakers
- d. 24 were Trainees including 16 Apprentices

3. There have now been over 100 separate Community Benefit Initiatives of varying degrees and value.
4. Tenant Satisfaction levels with the WHQS works are high with over 99% of tenants being satisfied with works in 2014/15.

4.6 Things that did not go quite so well:

1. CCG have experienced significant problems dealing with different utility companies where their inflexible timescales have impacted and delayed the completion of some programmes of work.
2. Work in some sheltered properties was slow to start due to a variety of reasons including the need to re-specify work specifications to ensure affordability within the constraints of CCG's business plan.
3. CCG have experienced difficulties where additional items of work are found to be required and added to projects; these result in an improved final product but have impacted costs and timescales.

#### 4.7 Challenges in the year ahead:

1. To complete remaining WHQS works and to successfully procure and mobilise contracts in relation to the 2015-2020 investment program, estimated to be around £40M in value.
2. Achieving CCG's 2015/16 expenditure and output targets whilst ensuring tight control of the contracts to ensure they are delivered within the constraints of the business plan.
3. Continue to implement CCG's Land Management Strategy to ensure that all land is managed effectively, development sites are identified and liabilities are disposed of, or managed appropriately.
4. To complete CCG's first tranche of new affordable homes (18 units) within budget and within timescale.
5. Carry out all required preparatory work including securing additional funding to achieve the challenging targets set for the provision of new affordable homes within CCG's development strategy.

#### 5.0 Consultation arrangements with tenants and leaseholders

##### 5.1 1. Tenant and Resident consultation

Throughout the year, staff and Board appointed Tenant Champions continued to promote involvement and improved communication between CCG and our customers. Towards the end of 2014/15, workshops were held to review the effectiveness of our involvement strategy to date, and measure which outcomes have been achieved and identify areas for further development.

CCG continued to invest in the development of the consultative framework with Tenants and Residents through the following groups and forums;

- The CCG Tenant and Resident Partnership
- Quality Customer Service Forum
- Community Benefit Forum
- Communication Forum
- Repairs and Maintenance Group
- Local Tenant Participation Strategy Steering Group
- Customer Panel

Tenants were supported throughout the year in their role as Partnership and Forum members, with various training and networking opportunities provided throughout the year to develop skills and understanding to make them more effective in their roles as tenant representatives.

During 2014/15, the Tenant and Resident Partnership established their own *Facebook Page*, as a means of promoting participation amongst tenants through social media. The Partnership also increased their presence in the community through accompanying staff on estate visits, having stalls at CCG led events and by writing articles for the tenant newsletter, *CCG News*.

##### 2. Consulting with Leaseholders

CCG continued to develop its relationship with its Leaseholders. During the

year affected Leaseholders have received estimates of their contributions to the costs of major works to their blocks. CCG has held events and improved communication with those Leaseholders to answer their queries regarding the works and to explain how the cost estimates have been calculated. During 2015/16 CCG will need to continue this work so that the Leaseholders' share of the costs can be recovered in accordance with the terms of their leases.

3. Mobile Surgeries

Over the last 12 months the "take up" of the mobile surgeries held by our Neighbourhood Wardens has diminished, even though they were well advertised. This resulted in ineffective warden time and the mobile surgeries have now been withdrawn. The service found encouraging tenants to phone to request a visit or return a phone call to be better appreciated. This has also released warden time to carry out weekly checks of properties for insurance purposes and essential checks of communal areas as part of our fire management arrangements.

4. Shareholders

The number of shareholders at the end of March 2015 stood at 48. All tenants are still able to apply to become a shareholder at any time, with all applications being considered by the Board in line with the Rules.

Continued attempts were made to increase the number of shareholders during the year, with various community events attended where tailored literature detailing the benefits of becoming a shareholder were distributed.

5.2 Key successes:

1. Tenants Newsletter

CCG achieved the Best Tenant Newsletter award during Community Housing Cymru's (CHC) PR awards.

2. CCG Summer estate walkabouts

The Community Involvement team arranged a series of visits to CCG estates in the Summer of 2014. The primary purpose of the visits was to consult on plans to carry out environmental improvements to estates through the Welsh Housing Quality Standard. Staff visited tenants and residents in Nefyn, Pwllheli, Chwilog and Pencaenewydd. It was a valuable opportunity to meet tenants and residents in their community, and meant CCG was more visible on estates.

3. Local Tenant Participation Strategy 2012-15

Good progress was made against the strategy during 2014/15. Tenant Champions continued to promote better communication between CCG and our customers and attended community events such as tenant fun days. Another key part of the role was to ensure that tenants' views were considered as policies, processes and documents were developed.

Work also began on developing a new participation framework to increase the number of tenants and residents who engage with us and to increase

representation. This project will gather speed in 2015/16 with the aim of implementing the new framework early in 2016.

#### 4. Community Projects

##### 4.1 CCG Ffwtcamp

A 'Ffwtcamp' project was undertaken for the second time in April and May of 2014. Ffwtcamp's aim is to encourage young people between 11 and 14 years on some of our less privileged estates to get off the streets and to take part in an initiative to encourage them to keep fit and to take pride in their communities. Four teams from Caernarfon, Llanberis, Bangor and Pwllheli came together for a period of about six weeks leading up to a football final competition at Caernarfon under the supervision of CCG Neighborhood Wardens.

##### 4.2 CCG Junior Warden Scheme

CCG ran the Junior Wardens Scheme again over the summer. This was the fourth year for the scheme to be carried out, and children from Bangor, Dolgellau, Nefyn and Llanaelhaearn had the opportunity to participate. The children who were in year 5 in primary school, worked for 6 weeks with the Neighborhood Wardens in their areas to understand more about their work and work towards the scheme's aims which is to reduce anti-social behavior by encouraging children to participate in their communities and be proud of where they live and play.

##### 4.3 Building Experience ("Adeiladu Profiad")

For the first time CCG ran the Building Experience programme in conjunction with Coleg Menai. The project was launched on the CCG stand at the Urdd National Eisteddfod in Bala. This is a bursary towards education and professional development and includes a six week paid work placement with CCG. Four students participated in 2014/15.

#### 5.3 Challenges in the year ahead:

The development of a new Tenant Participation Strategy for 2015-2018 is one of the main pieces of work for the Tenant and Residents Partnership and the Community Involvement Team over the next year. As part of this work, a review will be conducted to examine the effectiveness of the current consultation framework and look at how it could be developed for the future. Encouraging new tenants to participate and developing new methods of participation remains one of the major challenges for the service over the coming year.

#### **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:

- CCG worked with the Housing Options Team to allocate 549 of CCG's homes during 2014/15
- Good working relationships have been maintained with other Housing Associations
- A new Service Level Agreement was agreed and signed by all parties and the Information Sharing Protocol is also now in place.

6.1.2 Things that did not go quite so well:

- Due to constraints of the Common Allocations Policy CCG, was unable to influence the transfer of tenants who were in breach of their tenancy agreement, for example where they have not looked after their previous home or where they were in rent arrears
- The IT link to the Council (Citrix) was unreliable at times and communication about the availability of the link was poor. This affects CCG's officers' ability to view information on applicants for housing.
- The Gwynedd Common Housing Register Steering Group did not meet regularly resulting in delays in completing agreed work e.g. measuring outcomes, changes to the application form, production of information leaflets for applicants, and changes to the Common Allocations Policy
- The quality of short-lists of prospective tenants received from the Housing Options Team has been poor in some areas, in particular the Meirionnydd area. Homes previously considered to be in high demand are now more difficult to let. It is thought the under occupancy charge and lack of promotion to Gwynedd residents of who could be eligible for social housing could be contributing to this trend.

6.1.3 Challenges in the year ahead:

1. Working with the Partnership to improve the effectiveness and efficiency of the Housing Options Team's service
2. Understand the impact of planned changes to Welfare Benefits on the ability of prospective tenants to afford CCG's tenancies, and work to mitigate this effect on our ability to allocate our homes
3. Agree changes to the Common Allocations Policy to deal with Statutory changes e.g. Housing (Wales) Act 2014 and resolve identified problems
4. Implementing the new performance management arrangements noted in the new Service Level Agreement.

**6.2 Service Level Agreements**

The following Service Level Agreements (SLA's) were entered into between CCG and the Council at point of transfer (12/04/10):

1. Grounds Maintenance Services

2. ICT support (Wide Area Network provision and support and Application Support – Geographical Information System (GIS))
3. Legal Services
4. Pest Control Services
5. Payroll Services
6. Highway Safety Inspections Service on Unadopted Highways
7. Fleet Maintenance Service
8. Environmental Health Inspection Services
9. Drainage Services
10. Cleaning Services
11. Closed Circuit Television System (CCTV) Services
12. Street Lighting Services
13. Community Warden Service

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

1. Grounds Maintenance Services – the contract was extended for a further 12 month period, until April 2016 with the same management arrangements being kept in place, as a result of the satisfactory level of performance within the contract. An open OJEU procurement process will take place in the Autumn of 2015, with the new contract targeted to commence in April 2016.
2. ICT support (Wide Area Network provision and support and Application Support – Geographical Information System (GIS)) - Improved account management and alerts have been put in place to monitor the performance of ICT links between the Council and CCG
3. Legal Services – during 2013 the decision was taken to bring Legal Services in house and as a result, 2 members of staff transferred from Gwynedd Council to CCG in October of that year. Since the termination of the SLA, Gwynedd Council's legal department have continued to provide legal services on some matters including Right to Buys and an agreement is in place to provide a level of cover for absences etc.
4. Pest Control Services – SLA in place for Gwynedd Council to deliver the service until April 2016.
5. Payroll Services– Gwynedd Council awarded the service following an open tender process to deliver the service until April 2016.
6. Highway Safety Inspections Service on Unadopted Highways – the service continues to be delivered in-house by CCG.
7. Fleet Maintenance Service –service re-tendered via an OJEU process, and SHB Vehicle Hire and Management were awarded the contract which commenced in June 2014 for an initial 3 year period. Gwynedd Council assisted CCG greatly during the handover period.
8. Environmental Health Inspection Services – services no longer required as a result of Common Housing Register now being run by Gwynedd Council.
9. Drainage Services - SLA agreed for Gwynedd Council to provide the service to April 2016, with enhanced Client Management arrangements put in place. Future procurement options are currently under consideration, with updates being provided to Gwynedd Council as part of the regular contract management meetings.
10. Cleaning Services - the Communal Area Cleaning contract was awarded to Gwynedd Council for Dwyfor and Meirionydd areas and to SuperClean for

Bangor and Arfon areas; all contractors are performing well with the contract monitoring meetings adding value. Consideration will be given to adding office cleaning and communal area checks to the contract when it is next offered to the market in June 2016.

11. Closed Circuit Television System (CCTV) Services – Service provided by Gwynedd Council under this contract has improved during the year with cameras being repaired in line with the SLA. However, the renewal of the CCTV SLA will need to be reviewed if recent barriers in releasing footage to CCG, in relation to incidents which are not of a criminal nature but still constitute a breach of tenancy with which CCG could use to manage its tenancies, are not resolved. Our solicitor will be reviewing the situation in line with the guidelines set out by the Information Commissioner's Office.
12. Street Lighting Services - current arrangements with Gwynedd Council extended to April 2016. The SLA is being managed well with no major issues. Some discussion will be required in due course with regards to upgrading of existing equipment.
13. Community Warden Service –Gwynedd Council gave notice that the funding for this service would cease from 1<sup>st</sup> April 2015. With some difficulty, CCG allocated funding from its own budgets to maintain this well regarded service.

#### 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
2. An excellent Out of Hours service is received on the Drainage SLA
3. Improved performance management arrangements from CCG's side are now bearing fruit with performance issues being identified and resolved earlier with contractors.

#### 6.2.2 Things that did not go quite so well:

1. The IT link to the Council (Citrix) continues to be a challenge with access often unavailable thus impacting on performance of CCG's lettings teams.
2. CCG are experiencing problems with Gwynedd Council's CCTV unit of not being given access to footage relating to incidents which are not of a criminal nature but which still constitute a breach of tenancy. Such footage is a key element CCG uses to manage our tenancies, and if the issue is not successfully resolved may impact decisions relating to the renewal of the SLA.

#### 6.2.3 Challenges in the year ahead:

1. To successfully resolve the access to footage issue relating to incidents which are not of a criminal nature under the CCTV SLA.
2. To extend the awareness of GIS and its capabilities within CCG.
3. Ensure the successful transition of the Wide Area Network to the new provider of Public Sector Broadband Aggregation (PSBA) services (BT).

### 6.3 **Housing Benefit Protocol**

Smooth and prompt payment of Housing Benefit is critical to CCG's income stream and the Housing Benefit Protocol sets out commitments for the Council and CCG to

work together to achieve service levels and standards for the processing and administration of housing benefit for CCG's tenants.

#### 6.3.1 Key successes:

1. CCG continued to work effectively with the Housing Benefits Team in responding to the under occupancy charge, maximising the use of Discretionary Housing Payments. CCG also worked closely with the Council's Welfare Reform Task Group.
2. Any ad-hoc queries or discrepancies were dealt with promptly.
3. CCG has worked with the Housing Benefits team to develop a report from the Capita benefits system to provide accurate figures for the Discretionary Housing Payments (DHP) made to individuals thereby allowing an accurate assessment to be carried out of the impact of the under-occupancy charge ("bedroom tax") and reliance on DHP payments to CCG's income.

#### 6.3.2 Challenges in the year ahead:

1. To continue to maintain the good working relationship with Gwynedd Council Housing Benefit team and to liaise and share information with them to manage changes linked to the Government's Welfare Reform measures effectively.
2. Continue to work with the Council's Revenues Team to ensure the Discretionary Housing Payment- together with the additional rural element received by the Council- is awarded according to need.
3. Continue to work with Gwynedd Council, the DWP, and other partners in the Gwynedd Welfare Reform Task Group to maintain the necessary focus to prepare local services required to deal with Universal Credit.

### 7.0 Elected Members protocol

7.1 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.

#### 7.2 Key successes:

1. 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.
2. Positive feedback has been received over the past 12 months in relation to the Elected Members Protocol with members noting an improvement in communication (generally) and in being kept informed of progress.

#### 7.3 Things that did not go quite so well:

1. Some members continue to voice dissatisfaction when they were unable to speak to a specific officer. CCG are confident that by providing the service set out in the Protocol, Elected Members are receiving the highest possible

standard of service. The protocol also ensures that a consistent service is provided to all Elected Members

#### 7.4 Challenges in the year ahead:

In order to continue to deliver on the members' protocol's expectations, the main challenge for CCG is to establish a customer focused, empowering and accountable culture within the organisation.

### 8.0 Partnership working on strategically important housing items

CCG is a member of the Gwynedd Housing Partnership and has taken an active part in several strategically important housing issues, such as:

1. **Implementing the Common Housing Register, Common Allocations Policy and Housing Options Team** –the Common Housing Register and Housing Options Team commenced in September 2012. CCG is committed to ensuring that this project is a success, offers an effective service to manage Gwynedd's social housing stock, and also offers applicants a range of suitable options to meet their housing needs.
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. However the number of these properties was reduced due to complaints about the number and impact of the properties in the Tan y Bryn area of Bangor.

A key challenge in the year ahead will be agreeing the Comprehensive Agreement between CCG and the Council, and introducing new ways of working as required in the Housing (Wales) Act 2014, and working with the Council to avoid the eviction of families affected by reduced Welfare Benefits

3. **Local employment** – since transfer when 170 members of staff were TUPE'd across from the Council, CCG has increased the number of staff and, as at 31<sup>st</sup> March 2015, employed a total of 272 staff. In addition, several other local employment opportunities have been secured through CCG's WHQS service providers (see Section 4 above)
4. **Provision of affordable housing** - as previously mentioned in this report, CCG are pleased to report that we now have started work on 3 new development sites. All of which have attracted either Social Housing Grant or Smaller Properties Grant and are due to be completed by March 2016. The sites are Tan y Bryn and Ty Gegin in Bangor and Lon Abererch in Pwllheli. These 3 sites will provide 18 new affordable housing units and go some way to achieving the targets set within CCG's Development Strategy.
5. **Older People's Strategy** –
  - i) The remaining sheltered housing schemes being redeveloped (Cysgod y Coleg -Bala, Bro Llewelyn- Penrhyndeudraeth, Hafan Deg –Barmouth,

Pentre Uchaf – Dyffryn Ardudwy) following the sheltered housing review carried out are nearing completion and it is hoped that all works will be completed by September 2015. Improvements include modernising the flats, adding lifts, remodelling 1 bed flats to 2 beds, improved door security and CCTV.

- ii) Work on rolling out of an alternative model for providing sheltered warden services which is based on identified need rather than being tied to tenants in a particular sheltered housing complex, is ongoing. However, some uncertainty exists as to future direction of these changes due to continued uncertainty with Supporting People grant funding which funds the core sheltered warden service.
  - iii) CCG continued to support the work of the Supporting People Regional Collaborative Committee (RCC) ensuring that Provider and Community Housing Cymru representatives on the RCC were aware of the needs of CCG's older and more vulnerable tenants.
  - iv) CCG continued to improve services for older and disabled tenants. Mobility scooter stores have been installed on several sites and a Mobility Scooter policy and accompanying leaflets are in place. Over 15 sites were converted from a hard wired Call Bell system to using a more flexible Life Line system offering a more flexible service for our tenants.
6. **Disabled Adaptations** – the joint Adaptations Panel with the Council continued to meet monthly to ensure tenants' need for adaptations were addressed as effectively as possible within the resources available. The team also worked on the Intermediate Care Fund Scheme and with Care and Repair to release funding to fund an adaptation to facilitate early release from hospital.
7. **Welfare Reform** –CCG continued to contribute to the multi-organisational Welfare Reform task group hosted by the Council 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 our under occupying tenancies.
8. **Gisda** –Gisda now 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.
9. **Supported Housing**- Two properties are on the contract agreed with Gwynedd Council Social Services that enables the use of the old Warden's houses in our sheltered units as supported housing. These are located in Hafan Elan, Llanrug and Llys yr Eifl, Caernarfon.

## 9.0 Other operational matters

### 9.1 Supporting People

During 2014/15 CCG worked closely with the Council's Supporting People team to support our vulnerable and older tenants to sustain their tenancies. In May 2014 an

audit of the Warden and Community Alarm Service concluded that:

- The service is strategically relevant
- The service continues to meet the needs of the client group
- The service is provided to a satisfactory standard, with several areas of good practice.
- As recommended by the Aylward Review of Supporting People services in Wales, CCG are in the process of developing a peripatetic Warden service that targets service user needs in both sheltered and general housing needs.
- The service offers value for money.

The Floating Support service is also well regarded and meeting its targets. These services, also funded by the Supporting People grant, contribute greatly to preventing homelessness and delaying the need for home care thus saving money to the Council's Homelessness and Social Services teams – as well as Health. CCG is concerned about the future of the supporting people grant allocated to CCG which was cut by £30K (9%) in 2015/16 and predicted to be cut by another 10% in 2016/17. This is a particular concern for CCG's ageing and vulnerable tenants who benefit from the support service which helps enable them to improve their life skills and maintain independence.

CCG supports Community Housing Cymru and Cymorth Cymru's 'Lets keep on supporting people' campaign to raise awareness of politicians and other decision makers of the value of the Supporting People grant in preventing costs associated with tenancy failure to Health and Social Services.

## 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 that 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 the new 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, if this happens, it will present significant difficulties for CCG due to the shortfall in income as our current business plan requires a rent rise of CPI plus 1.5% in order to be viable.

## 9.3 **Rent/Income Management Collection**

The arrears total as a percentage of current tenants' rent collectable stood at 1.7% for the 2014/15 financial year compared with 1.8% for the previous year. It is thought that Discretionary Housing Payments and increased profile of the importance of paying the rent contributed to this good performance.

CCG continues to fund two additional temporary Rent Advisors within the rental income team 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 as Universal Credit is scheduled to be rolled out in Gwynedd in October 2015.

#### 9.4 **Empty (void) properties**

Performance against this key performance indicator has been an area of focus during the year and performance continues to improve. Internal processes have been streamlined, however Difficult to Let properties are affecting the overall turnaround period.

In order to deal with this, CCG developed a Difficult to Let Strategy which was implemented during 2014/15. Properties where the Housing Options Team offer weak or no waiting lists are advertised using social media and websites. Advertisement posters are produced for public display in CCG's offices and at events, and local Councillors and schools are requested to raise awareness of these properties with potential tenants.

Some empty properties were categorised as unlettable voids due to being either required as decant properties, were awaiting major improvement works or were being sold. All these impacted the turnaround performance of empty (void) properties. The number of these properties will reduce considerably during 2015/16 as the WHQS programme draws to a final close; processes are in place to process returned decant properties quickly.

Improving performance of empty (void) properties will continue to be a priority area for 2015/16.

#### 9.5 **Direct Labour Organisation (DLO) Review**

Following the Board's decision in January 2013 to retain the Repairs & Maintenance service in house 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:

- The overall turnaround time for completing works to WHQS standard on empty properties reduced from 22.5 days during 2013-2014 to 12.5 days for the 2014-2015 financial year.
- A steady improvement in the number of emergency, urgent and routine repairs completed with almost 95% of repairs completed within the required timescales
- An improved working relationship with Cyngor Gwynedd's Environmental Health Department has been developed which has lead to a more responsive approach to repairing properties subject to Health and Safety Housing Rating System (HHSRS) notices and Housing Disrepair notices.
- Continued development and use of the trading account for the service to provide clear focus on service costs and efficiencies required.
- Achievement of accreditation for our Health, Safety, Quality and

Environment (HSQE) management systems

- An in-house Electrical team was established leading to improved repairs performance.
- Successfully changed our Cyclical Heating service provider resulting in improved compliance.
- New Fleet contract established
- A new mobile working platform was introduced for our workforce, improving work allocation and completion efficiencies and allowing operatives access to e-mails, HSQE documentation and the company's intranet
- Successfully tendered for and delivered additional work streams including the WHQS Internals mop up scheme
- Improved management of the workforce resulting in more efficient working.

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

CCG achieved OHSAS 18001, ISO9001 and ISO14001 accreditation for our Health and Safety, Quality and Environmental management systems. They are designed to enable the association to better manage health, safety and environmental issues and to ensure consistency and quality in all our processes.

## 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.

During the latter part of the 2014/15 financial year, the Welsh Government Housing Regulation Team undertook a Regulatory Assessment (RA) on behalf of the Welsh Ministers. The RA is designed to provide CCG, tenants, service users and other stakeholders with an understanding of how well CCG is performing 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 was considered to be a fair assessment and is available on CCG's website but some of the main conclusions noted in the report were as follows:

- The quality of CCG’s own evaluation of its effectiveness is reasonable.
- Governance remains relatively robust. CCG has developed a bespoke criterion against which they rate their performance as “doing well, but can still do better”.
- The gender balance on the Board is 50/50 which is above the housing sector norm of 37% for female Board representation. CCG can demonstrate that it treats the Welsh and English language on an equal basis, and is a fully bilingual organisation.
- CCG’s risk appetite is prudent. The Board understands its responsibility for identifying and managing prioritised high level strategic risks. The risk framework that supports Board level discussion is thorough and well presented allowing the Board to understand emerging risks. There is a clear culture of risk management at both Board and Executive level.
- CCG’s financial viability published in February 2015 was a “Pass with closer regulatory monitoring” (see 9.7.2 below). Concerns relate to the ongoing director level vacancies, especially the critical Finance Director post which has been vacant for over 12 months.
- The financial position of CCG is sound and it can meet its short and long term financial commitments. The association’s 30 year forecast shows the association operating close to its covenants in the short to medium term.
- Service provision is mixed. The promises made at transfer have been successfully delivered. Welsh Housing Quality Standard has been achieved, bar the work on some sheltered schemes which is expected to be completed in September 2015. Tenant satisfaction with the quality of homes has increased by 22% since 2011. Tenant health and safety is good. However, CCG cannot demonstrate that repairs and maintenance are effective and efficient.
- A robust tenant satisfaction survey is undertaken independently and annually. The conclusions of the most recent survey undertaken in 2014 show steadily increasing satisfaction levels since transfer, but comparison with others shows scope for improvement.

### 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.

Following the Welsh Ministers review they concluded that CCG’s Financial Viability Judgement as at 27 February 2015 was ‘**Pass with closer regulatory monitoring**’. This is defined as:

*“the Association has adequate resources to meet its current and forecasted future business and financial commitments, but there are one or more areas which warrant closer regulatory monitoring to ensure its financial viability remains sound.”*

The Regulator’s judgement was mainly explained as:

- *CCG has prepared the 30 year financial forecasts using a reasonable set of assumptions, however, the regulation team was concerned as CCG has reduced capacity at executive level (\*).*

*\*By the end of the financial year two new Directors had been appointed (Director of Resources and Director of Assets and Infrastructure), with both due to take up their roles early on the 1<sup>st</sup> June 2015.*

- *CCG has adequate secured loan facilities in place in order 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 it operating close to its covenants in the short to medium term.*
- *CCG has adequate private financing in place to fund its forecasted spending on property maintenance and improvements, and it has sufficient income generating ability to service such borrowings.*

### 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 2014/15 year:

- i) two new Gwynedd Council nominees were welcomed to the Board; Councillor Stephen Churchman replaced Councillor Brian Jones and Councillor John Wyn Williams replaced Councillor Ioan Thomas who had served for a very short time in place of Councillor Sian Gwenllian. CCG has requested that the Council review their nomination process due to excessive delays in securing replacements. Such delays weaken CCG's governance arrangements.
- ii) one tenant member retired at the Annual General Meeting and in line with the provisions of our rules chose to stand for a further period; following an election amongst tenants, the tenant member was duly re-elected
- iii) one independent member retired at the Annual General Meeting and was replaced following an open recruitment process, and a further independent member resigned from the Board due to other commitments, leaving one vacant seat. As at March 2015, this seat was vacant with the recruitment process on-going.
- iv) Our long serving Chair, John Glyn Jones stood down in October 2014 with Claire Russell Griffiths, taking over the reigns.

Despite being outside the timeframe of this report, everyone at CCG was saddened by the news of John Glyn Jones' sudden death during May 2015. He had been Chair of CCG from the very early days prior to transfer up until October 2014 continuing as an active board member thereafter. He gave freely of his time throughout, applying his extensive experience of the Welsh housing sector to his leadership of the organisation; always prepared to offer his assistance and support. His contribution to CCG's success has been invaluable and he will be greatly missed.

## 9.8 Performance Management

A new performance management system was implemented in April 2014 and all staff's performance was appraised using an on-line system known as "Cynllun Llwyddo". Each individual was set personal objectives for the coming 12 months, and their behaviours were evaluated and rated against corporate competencies. A 6 month review was conducted in September to ensure performance was on track, and there was a 100% completion rate for the appraisals across CCG.

## 9.9 Programme Management

CCG has successfully delivered a number of important projects of strategic and corporate importance during 2014/15 under its Programme Management Framework.

These included:

- Achievement of accreditation for our Health, safety quality and environmental (HSQE) management systems
- The introduction of CCG's performance management framework ("Cynllun Llwyddo")
- The restructuring of our Assets Directorate to accommodate the reduction in investment works following completion of the initial WHQS investment programme.
- Improving customer care throughout the organisation
- Management of mitigation measures in response to Welfare Reform
- Development of CCG's 2015-2020 Corporate Plan

CCG have 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.

## 9.10 Customer Care

CCG's corporate customer care project drew to a close during the latter part of the year. One of the project's targets was to empower the Customer Service Team to deal with 90% of all phone enquiries at the first point of contact. The team are nearing achieving the target set with 85% of all enquiries received now being resolved at first point of contact (compared to an average of 70% in March 2014). Work is on going to identify further training needs required by the team in order to achieve the target of 90%.

Improving the customer's experience across all of CCG's services remained a corporate priority during the year. It was therefore a disappointment to the management team that the annual Tenant Satisfaction Survey carried out in October 2014 highlighted slight decreases in satisfaction levels when compared to those of the previous year. A focused action plan has been produced to address this within individual services. Furthermore, the importance of our customers and ensuring our services meet the needs of those customers are high priorities within CCG's 2015-

2020 Corporate Plan.

### 9.11 Land Management

Members will be aware that CCG has within its ownership and management over 3,000,000 m<sup>2</sup> of land assets spread across 517 sites. The assets are extremely varied in nature and comprise of woodland, heathland, scrubland, reservoirs/lakes, rivers, grazing land and football fields and a high proportion of the assets are located in the Snowdonia National Park and the Llŷn Peninsula Area of Outstanding Natural Beauty.

To ensure appropriate management of these sites including limiting CCG's potential liabilities, CCG's board approved a land management strategy in May 2014. Dedicated staff resources within our Land and Facilities department have been identified to implement the strategy. These resources also investigate and seek resolution to queries or disputes that crop up relating to specific land. These issues can involve private land owners including Gwynedd Council depending on circumstances.

### 9.12 Future relationship with Gwynedd Council

Having completed the offer document promises, it is envisaged that CCG will now enter into a new phase of its relationship with Gwynedd Council. Further dialogue is required to iron out the details, but it is envisaged that :

1. Arrangements for monitoring and scrutinising CCG's activities will need to change and move towards being similar to those employed for other Housing Associations operating within Gwynedd.
2. For the 3 years that remain, and in accordance with conditions of the Transfer Agreement, CCG will continue to attend six monthly liaison meetings with the Council and provide such information as the Council may reasonably require to satisfy itself that CCG is fulfilling its obligations under the Agreement. Thereafter, these liaison meetings will cease to coincide with cessation of the contractual condition within the Transfer Agreement. The relationship between CCG and the Council should remain positive but be similar to that which exists between the Council and other Housing Associations operating within Gwynedd.
3. In order to comply with Community Housing Cymru's Code of Governance launched in February 2015 and expectations of the Housing Regulator, consideration will need to be given initially to the process of determining nominations from Gwynedd Council to CCG's board. The emphasis will be on securing nominations which are mutually agreed to best meet CCG's skill set and experience criteria sought at the particular time. Then, in the medium term it is envisaged that agreement could be reached with Gwynedd Council so that CCG's board membership is similar to that of other Housing Associations operating within Gwynedd.

## 10.0 Conclusion

CCG's fifth year in operation has seen satisfactory outputs from all CCG's service providers leading to near completion of the WHQS investment programme. WHQS expenditure decreased slightly to £27.8m (including environmental works) compared to £30.3m in the previous year due to demobilisation of several contracts.

CCG's staff numbers were reduced during the year from 294 to 272 (as at 31 March 2015) due to the WHQS demobilisation. The latter part of the year was an unsettling time for staff as the required changes were implemented. The timing coincided with when several contracts were also being brought to an end and contractors were reducing their resources. Inevitable contract management issues materialised, but despite these difficulties, CCG managed its contracts through to a successful conclusion.

It is particularly pleasing that high numbers of trainees and people either living in Gwynedd or within its catchment areas continued to be employed by CCG or its WHQS Service Providers thereby delivering on CCG's strategic objective of maximising the benefit of the WHQS investment to Gwynedd's economy. Whilst there was no major deterioration in tenant satisfaction, it was nonetheless disappointing to CCG's management team that the results of the annual Tenant Satisfaction Questionnaire did not show the steady improvement that we have seen in previous years. This will be an area of focus in 2015/16.

CCG now look forward to the next five years and are proud to have published its 2015-2020 Corporate Plan setting out our strategy and aspirations for the period. It promises to be an exciting but challenging time. We intend to manage our assets effectively, maintain financial viability, continue to involve our customers in everything that we do, improve customer satisfaction and grow the business by building new affordable units and exploring new income streams. All this, at an incredibly challenging time given the general austerity measures being imposed and in particular, Welfare Reform.