

APPENDIX 2

**Priority:** Housing  
**Sub-Priority:** Modern, Efficient and Adapted Homes  
**Impact:** Improving the choice and quality of local housing

***We said in 2013/14 that we would:***

**1. Agree a new model of private finance to deliver an increased number of affordable homes.**

<b>Progress Status</b>	<b>Progress RAG</b>	<b>A</b>	<b>Outcome RAG</b>	<b>G</b>
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**What we did in 2013/14 –**

Soft market testing has been undertaken with a number of developers who have access to capital finance to build new homes. The intention is to use the intelligence gained during this reporting year to complete a procurement exercise for a developer and funder during the next financial year. This activity has been subject to a short delay as a result of BCU determining that the current site of the Leas Maisonettes is their preferred site for a primary health care centre. In addition there is support for the development of two new extra care facilities in Flintshire, one of which is likely to be on the site of the former maisonettes in Flint. This has implications in terms of numbers of additional housing units to be developed, as a registered social landlord will carry out the procurement for the extra care units and there would therefore need to be a reduction in the number of council led units for Flint, with a corresponding increase on other council owned sites across the county.

Despite the delay in getting the new financial models agreed, the Council has approved the establishment of a wholly owned property management company called North East Wales Homes. This will go live during April 2014 and will receive the 10 housing units gifted to the council in lieu of section 106 contributions through the planning system. The company will then be in a position to offer the properties for affordable rental in perpetuity and as the company grows and develops (a further 20 gifted units have already been secured), borrow against these unencumbered assets to fund further development of affordable housing. The formation of the company will therefore act to compliment the other financial models subject to formal procurement as outlined above and fund future development.

**What went well –** The soft market testing of developers and funders that has occurred has informed Officers of all the potential financial models which can fund development. Members have also been kept informed throughout the process in order to build support for utilising private finance to secure new housing in Flint and other key areas of the county. The models have been considered by housing, finance and legal colleagues and will inform the future procurement exercise and ensure that the council is maximising the value of the investment. In terms of the wholly owned company North East Wales Homes, early dialogue with Members and gaining political support

has been vital to ensuring the establishment of the company and again housing, legal and finance colleagues worked closely to ensure that this new venture could be launched.

**What did not go so well** – The aspiration was to launch the company earlier in Quarter 4, so that the houses gifted to the council in lieu of section 106 contributions could be transferred directly to North East Wales Homes. However, there was insufficient Officer capacity within the organisation to launch the company during the financial year, particularly given the additional need to lodge year end financial accounts for the company at a time when the council was carrying out its own quarter 4 capital and revenue monitoring and making preparations for year end.

**Achievement will be Measured through:**

- Gaining formal approval for a new model
- Approval for the Flint Town Centre regeneration plan

**Achievement Milestones for strategy and action plans:** (Lead Officer – Head of Housing )

Gain approval for new funding model – July 2014

Gain approval for Flint Town regeneration plan – **Completed**

### Risks to Manage

Ensuring that we prevent delays in planning approvals for affordable housing developments for affordable housing developments.

Gross Score (as if there are no measures in place to control the risk)			Current Actions / Arrangements in place to control the risk	Net Score (as it is now)			Future Actions and / or Arrangement to control the risk	Manager Responsible	Risk Trend	Target Score (when all actions are completed / satisfactory arrangements in place)		
Likelihood	Impact	Gross Score		Likelihood	Impact	Gross Score				Likelihood	Impact	Gross Score
(L)	(I)	(LxI)		(L)	(I)	(LxI)				(L)	(I)	(LxI)
M	M	A	Preplanning meetings are now in place with planning and the affordable housing officer to help assist applications to progress smoothly through the planning process.	L	M	G	The Affordable Housing Officer continues to offer dedicated support to the Planning Policy Service as required. The Officer assists in any application where there is a need for a Section 106 contribution for affordable housing, ensuring continuity and that planning decisions are aligned with the council's Local Housing Strategy.	Head of Housing	↔	L	M	G

### Risks to Manage

Ensure the availability of private finance for development of affordable homes.

Gross Score (as if there are no measures in place to control the risk)			Current Actions / Arrangements in place to control the risk	Net Score (as it is now)			Future Actions and / or Arrangement to control the risk	Manager Responsible	Risk Trend	Target Score (when all actions are completed / satisfactory arrangements in place)		
Likelihood	Impact	Gross Score		Likelihood	Impact	Gross Score				Likelihood	Impact	Gross Score
(L)	(I)	(LxI)		(L)	(I)	(LxI)			(L)	(I)	(LxI)	
M	H	R	North East Wales Homes reduces the risk by allowing a wider range of finance options and leverage of assets to be considered. Effectively the company provides the council with greater financial and commercial freedoms to operate akin to a private company to meet its social objectives around affordable housing.	L	M	G	The council must ensure that it follows a robust and compliant procurement process in an area for which it has no recent background. External expertise will be required as part of the procurement exercise and will be appointed subject to Cabinet approval	Head of Housing	↓	L	M	G

### Risks to Manage

Encouraging developers to build a range of affordable housing in the current economic climate

Gross Score (as if there are no measures in place to control the risk)			Current Actions / Arrangements in place to control the risk	Net Score (as it is now)			Future Actions and / or Arrangement to control the risk	Manager Responsible	Risk Trend	Target Score (when all actions are completed / satisfactory arrangements in place)		
Likelihood	Impact	Gross Score		Likelihood	Impact	Gross Score				Likelihood	Impact	Gross Score
(L)	(I)	(LxI)		(L)	(I)	(LxI)			(L)	(I)	(LxI)	
H	H	R	Preplanning meetings are now in place with planning and the affordable housing officer to help assist applications to progress smoothly through the planning process.	M	M	A	North East Wales Homes will provide the council with a wider range of options for developers to meet S106 obligations through gifted homes. This can ensure that sites considered by developers as not financially viable under existing arrangements can be made viable.	Head of Housing	↔	L	M	G

2. Develop a strategy to grow and sustain the private rented sector				
Progress Status	Progress RAG	A	Outcome RAG	A
<p><b>What did we do in 2013/14 –</b> Development of a private rented sector strategy was delayed in order to take into consideration consultation undertaken in late 2013. The PRS improvement plan, supported by the WLGA is in place and elements are being implemented, particularly where urgency exists e.g. changes to homelessness duties and the ability to discharge that duty in to suitable accommodation in the private rented sector.</p> <p>A key element of the plan was the establishment of North East Wales Homes, which offers the opportunity to engage much more closely with the private rented sector. This wholly owned council company aims to encourage the growth of the private rented sector by offering both leasing arrangements and property management services to the property owners. The company will work closely with those individuals who currently rent property, those who own vacant property and can be convinced to let it and those older home owners who wish to lease their property to the company and access the council’s sheltered housing stock.</p> <p>Whilst the council is open to collaboration on all projects, for the avoidance of duplication and where value for money can be achieved, there is a need to consider sensitively the impact of a potential local government reorganisation as proposed by the Williams Commission. However, value for money and effective service delivery remain paramount and where those primary objectives can be satisfied then collaborative opportunities will be vigorously pursued.</p>				
<p><b>What went well –</b> Positive feedback was received following the private rented sector landlord event held in quarter 3 of 2013. This allowed the council to consider the types of services North East Wales Homes should offer once established. The potential products and services were amended following the consultation exercise and provided an opportunity to engage more closely with the sector for the first time.</p>				
<p><b>What didn’t go so well –</b> The uncertainty created by the potential review of local government as a consequence of the Williams Commission Report has left a vacuum of uncertainty over collaborative projects. Whilst Flintshire remains committed to collaboration where it can satisfy the tests outlined above this thinking is not shared by all current partners and more work will be required to address this.</p>				
<p><b>Achievement will be Measured through:</b></p> <ul style="list-style-type: none"> <li>• Formal approval for a strategy to grow and sustain the private rented sector approved by the end of 2013</li> <li>• Bringing of 30 empty homes back into use for residential living</li> </ul>				

**Achievement Milestones for strategy and action plans:** (Lead Officer – Head of Housing)

Develop and implement a Private Rented Sector improvement strategy and associated action plan – September 2013

Achievement Measures	Lead Officer	2012/13 Baseline Data	2013/14 Target	2016/17 Aspirational Target	Current Outturn	Performance RAG	Trend
Number of empty homes brought back into use.	Head of Housing	32	30	30 (120 cumulative)	33	<b>G</b>	<b>Improved</b>

### Risks to Manage

Maximising our joint resources with our partners

Gross Score (as if there are no measures in place to control the risk)			Current Actions / Arrangements in place to control the risk	Net Score (as it is now)			Future Actions and / or Arrangement to control the risk	Manager Responsible	Risk Trend	Target Score (when all actions are completed / satisfactory arrangements in place)		
Likelihood	Impact	Gross Score		Likelihood	Impact	Gross Score				Likelihood	Impact	Gross Score
(L)	(I)	(LxI)		(L)	(I)	(LxI)			(L)	(I)	(LxI)	
H	H	R	<p>The council has established North East Wales, which will assist in the aim of maximising our joint resource will future partners e.g. developers</p> <p>The review of joint and collaborative working in the PRS with neighbouring authorities has not yet been completed.</p>	H	H	R	<p>Establish a corporate private rented sector working group to develop corporate service standards, policies and processes in relation to the sector.</p> <p>Review joint and collaborative working in the private rented sector with neighbouring local authorities.</p>	Head of Housing	↔	M	M	A



**3. Develop a regional housing register and common allocations policy with partners**

<b>Progress Status</b>	<b>Progress RAG</b>	<b>A</b>	<b>Outcome RAG</b>	<b>G</b>
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**What did we do in 2013/14 –**  
The SARTH Policy was completed and approved by Cabinet in January 2014. A phased implementation has been agreed which will see operational implementation of the housing solutions approach and revised medical panel policy in quarter 4. The IT development and review and cleanse of the register will carry on alongside this work. The project plan projects a go live date in Autumn 2014.

**What went well –** The project has progressed well during the reporting period, this has been due to successful preplanning and the coordination of activities across the various councils and registered social landlords. This high level of communication and coordination has been vital to ensure that each Cabinet or Executive on behalf of the councils and each RSL board are working in harness and steering the project forward. There has been a high level of commitment at Officer level and the project has received funding support from Welsh Government which has allowed it to progress with pace and with dedicated people resources.

**What did not go so well –** An ICT solution still needs to be found to allow for a single system at county level to allow for easy transition of council allocations and RSL allocations to a new system which provides a truly single access route. This will be progressed over the next 12 months.

**Achievement will be Measured through:**

- A regional housing register and common allocations policy agreed and in place by Autumn 2014

**Achievement Milestones for strategy and action plans:** (Lead Officer – Head of Housing)  
Regional register and common allocations policy agreed – November 2013  
Regional register and common allocations policy implemented – December 2014