

Strategic Housing and Regeneration Programme (SHARP) Performance Progress Summary Report

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10th August 2018

1. Background

Flintshire's Strategic Housing And Regeneration programme (SHARP) was approved by Cabinet in September 2014 with the aim of delivering a projected 500 new Council Social Rented and Affordable Rented properties over a five year period, along with a number of broader economic and regeneration priorities. The Council is working with Wates Construction Limited under a strategic housing partnership relationship as defined within the Overarching Agreement for the SHARP dated 29th April 2016.

As part of the contractual arrangements key performance indicators were identified. These took the form of Monitored KPIs, Aspirational KPIs and Collective KPIs. The original KPIs were spread equally over the five year period with an assumption that the 500 units would be built in equal numbers over the same period (i.e. 100 per year). This has proved not to be the case and measuring performance against annual targets has not been straight forward. Therefore the KPIs should be used as a guide to monitor ongoing performance against the overall performance targets set and identify any risks which may lead to the final target indicators not being achieved.

2. Performance monitoring

Monitoring of performance against the key performance indicators has been a challenge for a number of factors:

- Schemes do not align neatly against the 12 month performance monitoring timeframe and can only be reported on when completed.
- Costs can change as a scheme commences.
- Not all schemes are the same size with the same start and end dates.
- Restructure in Wates Residential resulting in key staff involved in performance reporting leaving the organisation.

3. Methodology

Regular meetings are held with FCC Officers and Wates Residential to discuss performance and community benefits achieved. An Excel spreadsheet has been designed showing the KPIs and Wates complete these on a monthly basis to show progress against targets set. It lists all schemes separately and an average figure is calculated to show performance across the whole programme.

Community benefits that have resulted from SHARP are reported to the Community Benefits group which has been established to link into the corporate overview of community benefits for all council expenditure.

4. Financial Performance to Date

Each scheme is costed prior to commencement and as the development continues these costs can be adjusted to reflect any unforeseen changes that may occur. To date the final cost of all schemes has been within the agreed authorised expenditure and within the 5% variance allowed against the initial costed sum. A full breakdown showing the Stage 1 costing and final accounts is available on request.

5. Monitored Key Performance Indicators – (Underachieved)

Of the Monitored Key Performance Indicators the areas that have not been achieved so far collectively against all completed schemes are:

- *Local SME Spend: Flintshire Countywide*

Target initially set at 50% and performance to date averages 37% across all schemes completed before July 2018. The breakdown of local SME spend is shown in the table below:

Scheme	Target	Achieved
Custom House, Connah's Quay	50%	42%
Redhall, Connah's Quay	50%	47%
Maes y Meillion & Hoel y Goron, Leeswood	50%	53%
Ysgol Delyn, Mold	50%	18%
The Walks, Flint	50%	17%
The Dairy, Connah's Quay	50%	49%

- *Local Labour Usage: Flintshire Countywide*

The initial target for local labour usage was set at 60% of the workforce however to date this averages 27%. The breakdown of the Local Labour Usage: Flintshire Countywide is shown in the table below:

Scheme	Target	Achieved
Custom House, Connah's Quay	60%	22%
Redhall, Connah's Quay	60%	37%
Maes y Meillion & Hoel y Goron, Leeswood	60%	34%
Ysgol Delyn, Mold	60%	24%
The Walks, Flint	60%	22%
The Dairy, Connah's Quay	60%	26%

Whilst the performance does not meet the target for local SME spend and labour (within Flintshire) when considering the monitored target for the locality area (within 40 mile radius) there is a significant improvement and the target has been exceeded.

- *Local SME Spend: Locality (within 40 miles)*

The target initially set was 25% and the average performance across all completed schemes of 73% has exceeded this. The average performance also exceeds the target set for Flintshire Countywide. The following table shows the breakdown of local SME spend across all completed schemes:

Scheme	Target	Achieved
Custom House, Connah's Quay	25%	68%
Redhall, Connah's Quay	25%	72%
Maes y Meillion & Hoel y Goron, Leeswood	25%	74%
Ysgol Delyn, Mold	25%	73%
The Walks, Flint	25%	65%
The Dairy, Connah's Quay	25%	86%

- *Local Labour Usage: Locality Radius (40 miles)*

The target initially set was 35% and the average performance across all schemes completed to date is 73%. The following table shows the breakdown of local labour usage within a 40 mile radius.

Scheme	Target	Achieved
Custom House, Connah's Quay	35%	68%
Redhall, Connah's Quay	35%	72%
Maes y Meillion & Hoel y Goron, Leeswood	35%	74%
Ysgol Delyn, Mold	35%	73%
The Walks, Flint	35%	65%
The Dairy, Connah's Quay	35%	86%

Wates Residential and Flintshire County Council through its Communities for Work team and Business Development team are working together to improve the performance in relation to Local Flintshire Labour and Local Flintshire SME spend.

At future schemes Wates will introduce a Bio Site system which will track labour data in real time and improve the capturing of data therefore improving the quality of performance data against these measures.

To encourage local Flintshire businesses to get involved in the new schemes Wates in partnership with Flintshire in Business held a Meet the Buyer event in August 2018. This was attended by over 20 local businesses from a range of trades that were interested in working with Wates on the new schemes.

In August 2018 Wates will be working with Communities for Work to deliver the Building Futures programme. This programme is available for local people who are unemployed and struggling to gain employment. By providing training, skills development and work experience this opens up work opportunities especially in construction.

- *Performance against Housing Programme Delivery Plan: Numbers of Units Delivered*

The SHARP has set a target to deliver 500 new council and affordable homes over a 5 year period. At the end of July 2018 the performance had achieved 28% against this target through completion of 138 units.

The latest information relating to future schemes both approved and proposed shows a figure of 480 units to be delivered by 2021. This represents a 96% achievement against the target of 500 units but exceeds the overall variance target of 95% performance against the delivery plan.

6. Monitored Performance – on target

KPI	Target	Achieved
Percentage of Supply Chain Opportunities Advertised (Per annum by vale and volume)	100%	100%
Local 3rd Sector Supply Chain Spend (Social Enterprise) – There are limited third sector spend opportunities in Flintshire. Wates has made a pledge to use 1 social enterprise per project, this has been achieved so far	£110K (over 5 years)	£72,138
Performance against CITB Client Based Approach Performance Levels	100%	100%
Percentage of eligible materials recycled	100%	100%
Water reduction savings – programme target	120 ltr per day	90 ltr per day
Tonnes of CO2 saved	3000	4418
Carbon Credits offset	35	314
Support for Jobs Growth Wales – programme target	40 persons	26 persons
Support for Communities First and the LIFT Programme - programme target	50	21 + programme starting Autumn 2018
Performance against CITB Client Based Approach Performance Levels in Relation to Schools Engagement	350	Achieved plus ongoing engagement with local schools
Number of School Visits Per Annum to Support National Curriculum Topics	22	Achieved plus ongoing engagement with local schools

7. Conclusion

There is a concern over the percentage of Local SME spend in Flintshire and Local Labour Usage in Flintshire. This is being monitored and through partnership working every effort is being made to address this. Overall there are no major performance issues and SHARP continues to make progress in achieving its projected target of delivering 500 new social and affordable homes over 5 years.