

## **2017-18 Corporate Building Services Update**

### **1. Portfolio priorities/objectives.**

- To provide and maintain quality, affordable social housing, ensuring that housing is safe and secure, that tenants thrive and the communities we serve prosper.
- To provide and maintain a sustainable educational portfolio to enable education to deliver their priorities, making a positive difference, with lasting benefits to pupil attainment.
- To maximise financial return for the commercial portfolio whilst considering alignment with financial objectives and corporate well-being.
- To offer additional, added value including employment and apprenticeship opportunities which contribute to the council's overall corporate objectives, transforming lives and strengthening the local economy.

### **2. Specific activities and achievements, progress against corporate priorities/policy commitments, key decisions taken and impact/difference made.**

- Commissioning review completed and implementation commenced September 2016.
- One of the first Departments to have 100% of employees trained on Safeguarding Adults and Children.
- £600k savings target achieved for 2016-17. £400k savings already realised for 2017/18 with the annual budget adjusted accordingly. On target for £400k savings 18-19 - £400k for 17-18 already taken and annual budget adjusted accordingly.
- The increased number of ENV schemes and K+B works together with the two More Homes projects will increase the turnover of the in-house operations department by £4/5m against previous year's spend on the Housing Capital budget for 17/18.
- Significant non-financial benefits to the wider outcomes of the commissioning review including the impact on local employment, apprenticeships and local supply chain.
- More Homes Project at Milford Way
  - Current anticipated project completion 31st October 2017 with all ten two bedroom semi-detached dwellings and eight one bedroom apartments erected and at various stages of construction.
  - All ten semi-detached dwellings have passed their initial airtightness tests with the 8 one bedroom apartment type dwellings being readied for testing. Airtightness of the internal membrane compliance, represent tolerance of up to 3 holes the size of £1 pound coins across the whole dwelling would represent a failed air tightness test.
  - Six semi-detached dwellings which make up the street scene to Milford Way are currently on target to be completed on August 31<sup>st</sup> and currently have internal decoration, finishes, bathroom suites, final connections and commissioning to complete alongside external fencing, top soil and turf, tarmacking and soft landscaping.
- More Homes Project Parc Y Helig
  - Planning application submitted, reptile migration, tree and soft strip clearance of the developments footprint, is now complete. Preparation is underway to enable the construction works by engaging Western Power Distribution to remove overhead high voltage power cabling into a pre excavated trench. New drainage lines will be installed before infra structure work commence in the autumn.
- Delivery of WHQS by 2020 including kitchens and bathrooms programme.

- Energy Strategy - The action plan will help to mitigate the:
  - Effects of Climate change by reducing the carbon emissions
  - Risks associated with Energy security by sourcing low carbon/renewable energy sources and eradicating fuel poverty
  - Risks associated with increased energy costs

Progress to date:

- **Green Energy Schemes** - A number of Green Energy Schemes are being progressed as detailed in the Energy Strategy Action Plan. To date we are working with Swansea Marina, Local Partnerships and Carbon Trust to look at the feasibility of reinstalling the turbine and possible solar scheme in the Marina. We are also working with ReFit Cymru and have identified a number of Corporate Buildings that will go through a number of energy efficiency measures over the next 18 months with guaranteed carbon and energy savings. Biomass and battery storage will be considered as part of this process. We have also identified a number of buildings that would be suitable for Phase 2. In addition to that, we are working with Local Partnerships to identify parcels of council owned land that have the potential to have renewable technologies such as solar or wind farms, particularly those that have easy access to the grid. This is a potential source of income for the local authority.
- We have progressed a solar project whereby a number of Swansea schools will benefit from PV solar generation. A contractor has been procured, the project is however on hold at present as there are currently on-going discussions in regard to what effect such technologies will have on the rateable value of the asset. Until clarity is provided we are not in a position to progress the project. We have sought advice from a number of consultants and colleagues in Local Partnership's.
- We have commissioned external consultants to explore feasibility options with regard to a number of alternative technologies; Biomas, wind and solar.
- The over-arching energy strategy will, by its very nature pick up a number of green energy initiatives.

### **3. Headlines on the performance of services and key targets monitored to measure improvement and success.**

- In 2015/16, CBS were ranked by APSE in the top quartile for the percentage of appointments kept (100%), 97.2% of Day to Day jobs completed on time (102,427 repairs in total) – Quartile 1(Top), 98.47% of voids completed on time – Quartile 1 (Top). In addition to this, CBS were finalists in the APSE performance Awards for Best Performer for Building Maintenance services for 2015-16 and finalists for Best Team and Workforce initiative for Building Maintenance services for 2017 with results due in September.
- A further £35m+ turnover within the HRA Capital budget and the Education QED programme is managed by our Capital/PM design sections. This gives a current total annual turnover spend that is managed by CBS of approx. £80m.
- Turnover for 2016/17 was £43.3m and this is expected to rise for 2017/18 with the increased turnover on the HRA budget.
- Turnover is likely to increase over the coming years with the substantial increase in the HRA Capital budget to ensure WHQS is met by 2020 together with a turnover of approx. £2.5m anticipated in 2017/18 for the first of two More Homes Schemes.

- The Housing Capital Budget of £60m has remained the same for 2017/18, however, this will taper off towards 2020 when WHQS is achieved.

**4. Engagement with service users/public and what influence this has had.**

- The Commissioning Review stakeholder workshops held last year ensured a joined up approach to decisions made about the future running of CBS.

**5. What you hope to achieve in the coming months and challenges.**

- Explore commercial opportunities for In-house operational works and technical services
- Explore invest to save projects from Energy Report
- Fit for the Future Organisational Structure
- Improved Fleet Contract
- Develop mobile working and technological support
- Completion of two More Homes Project at Milford Way and Parc y Helig
- Review third party spend and supplier frameworks

**6. What key decisions you are expecting to take to Cabinet over the next year.**

- Further actions and key progress updates on the Corporate Energy Strategy.
- Delivery of further Major Works, Contract Award Reports/FPR's in relation to the achievement of WHQs.

**7. Your interaction with scrutiny and outcomes and whether there is any specific scrutiny activity you would welcome.**

- N/A

**Co-operative Housing**

As part of the recent policy commitment statement to enable the building of better, affordable and energy efficient homes it is identified to increase funding for Co-operative and mutual housing groups.

In order to provide this support in a structured and appropriate manner a policy needs to be established to identify, amongst other things:-

- An agreed definition of a Co-operative or mutual Housing Group
- An agreed definition and level of affordable housing
- Specified future outcomes
- Actions required as to how groups should be constituted
- The extent and type of support that the Council can give.

There have been discussions with one specific group over the last few months where it has been established that there is a need for a policy which will sit alongside other Council objectives, policies and the Council's wider fiduciary/legal duties.

Considerable work will have to be undertaken to identify those organisations who have successfully implemented a policy specifically relating to co-operative and mutual housing groups to inform the formulation of a draft policy.