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**Date: 23rd September 2020**

Dear Sir/Madam,

A digital meeting of the **Cabinet** will be held via Microsoft Teams on **Wednesday, 30th September, 2020 at 10.30 am** to consider the matters contained in the following agenda. You are welcome to use Welsh at the meeting, a minimum notice period of 3 working days is required should you wish to do so.

This meeting will be recorded and made available to view via the Council's website, except for discussions involving confidential or exempt items. Therefore the images/audio of those individuals present and/or speaking at Cabinet will be publicly available to all via the recording on the Council website at [www.caerphilly.gov.uk](http://www.caerphilly.gov.uk)

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Christina Harrhy'.

**Christina Harrhy**  
CHIEF EXECUTIVE

## AGENDA

	Pages	
1	To receive apologies for absence.	
2	Declarations of Interest.	

Councillors and Officers are reminded of their personal responsibility to declare any personal and/or prejudicial interest(s) in respect of any item of business on the agenda in accordance with the Local Government Act 2000, the Council's Constitution and the Code of Conduct for both Councillors and Officers.

**A greener place Man gwyrddach**



To approve and sign the following minutes: -

3 Cabinet held on 9th September 2020. 1 - 10

To note the Cabinet Forward Work Programme.

4 Cabinet Forward Work Programme. 11 - 12

To receive and consider the following reports on which executive decisions are required: -

5 Leaseholder Charges. 13 - 24

6 A Strategic Framework for Recovery. 25 - 34

7 COVID 19 - Economic Recovery Framework. 35 - 42

**Circulation:**

Councillors S. Cook, N. George, C.J. Gordon, P.A. Marsden, S. Morgan, L. Phipps, J. Ridgewell, Mrs E. Stenner and R. Whiting

And Appropriate Officers

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# Agenda Item 3



## CABINET

### MINUTES OF THE REMOTE MEETING HELD VIA MICROSOFT TEAMS ON WEDNESDAY, 9TH SEPTEMBER 2020 AT 10.30 A.M.

#### PRESENT:

Councillor P. Marsden (Leader) - Chair

#### Councillors:

C. Cuss (Social Care), N. George (Waste and Public Protection), C.J. Gordon (Corporate Services), S. Morgan (Economy and Enterprise), L. Phipps (Housing and Property), J. Ridgewell (Environment and Infrastructure), E. Stenner (Performance and Customer Services) and R. Whiting (Learning and Achievement).

#### Together with:

C. Harry (Chief Executive), R. Edmunds (Corporate Director – Education and Corporate Services), M.S. Williams (Interim Corporate Director – Communities).

#### Also in Attendance:

S. Harris (Acting S151 Officer), Shaun Couzens (Chief Housing Officer), Claire Davies (Private Sector Housing Manager), Paul Hudson (Business Enterprise Renewal Team Leader), C. Hunt (Regional Community Cohesion Officer), R. Kyte (Head of Regeneration and Planning), K. Peters (Corporate Policy Manager), S. Pugh (Communications Manager), J. Roberts-Waite (Strategic Coordination Manager), R. Tranter (Head of Legal Services and Monitoring Officer), C. Evans (Committee Services Officer)

A. Dobbs (Wilmott Dixon), J. Duggan (Wilmott Dixon), Gemma Welsher (Wilmott Dixon)

Councillor V. James (Observing), Councillor C. Mann (Observing)

## LEADERS ANNOUNCEMENT

The Leader welcomed everyone to the meeting and explained that following recent increases in positive cases of Covid-19, a local lockdown has been enforced in the Caerphilly County Borough, which is a stark reminder that the virus has not gone away and it has become even more paramount to protect our people and place.

Members were asked to note that the Caerphilly County Borough Council website has further information on the lockdown, as well as frequently asked questions should there be any queries.

## 1. APOLOGIES FOR ABSENCE

Apologies for absence were received from D. Street (Corporate Director – Social Services and Housing).

## **2. DECLARATIONS OF INTEREST**

There were no declarations made at the beginning or during the course of the meeting.

## **3. CABINET – 22ND JULY 2020**

RESOLVED that the minutes of the meeting held on 22nd July 2020 were approved as a correct record.

## **4. CABINET – 30TH JULY 2020**

RESOLVED that the minutes of the meeting held on 30th July 2020 were approved as a correct record.

## **5. CABINET FORWARD WORK PROGRAMME – TO NOTE**

Cabinet were provided with the Cabinet Forward Work Programme, which detailed the scheduled reports from 9th September 2020 to 30th September 2020. Members were reminded that the Cabinet Forward Work Programme is a working document and therefore subject to change.

Cabinet were asked to note that the report on Agile/ Flexible Working is to be considered by Scrutiny Committee at the end of the month and will be considered by Cabinet following this.

A Cabinet Member requested that the Cabinet Forward Work Programme provide a longer outlook on the upcoming reports, it was noted that this will be discussed further at the Policy Framework meeting, in which Cabinet will be asked to consider their priorities, which will inform the long-term Forward Work Programme.

Following consideration and discussion, it was moved and seconded that the Forward Work Programme be noted. By a show of hands this was unanimously agreed.

RESOLVED that the Cabinet Forward Work Programme be noted.

## **MATTERS ON WHICH EXECUTIVE DECISIONS WERE REQUIRED**

### **6. UK RESETTLEMENT SCHEME (UKRS)**

The report provided Cabinet with an update on the authority's participation in the UK's Vulnerable Persons Resettlement Scheme (VPRS) and its contribution to alleviating the humanitarian crisis affecting millions displaced within Syria and the surrounding countries of Jordan, Turkey, Lebanon and Egypt. The report also provided an overview of how the resettlement programme is being reformed (post 2020) and requests a steer from Cabinet on future participation in the successor resettlement programme, the UK Resettlement Scheme (UKRS), and/or the UK's Asylum Seeker Dispersal Scheme (ASDS).

Cabinet noted that in 2015 Caerphilly CBC became one of the first authorities in the UK to support the VPRS; during the past 4 years the authority has successfully resettled 7 families, comprising 35 refugees. The VPRS was a five-year commitment that is now entering its final stages – refugees are supported for 5 years after settlement taking the maximum time period of the VPRS to 10 years. The UK government has announced plans to continue its support for refugees under a new UK Resettlement Scheme to start in 2020. The new scheme plans to resettle in the region of 5,000 of the world's most vulnerable refugees in its first year.

The report also sought clarification on the role of the authority in the future resettlement programme as well as recognising alternative approaches, such as the Asylum Seeker Dispersal Scheme, should the authority wish to continue to support the UK Governments efforts in meeting their international obligations to provide humanitarian protection to those in need.

It was noted that the WLGA, through the Wales Strategic Migration Partnership, have recently written to the Leader and Chief Executive asking for the level of commitment CCBC is able to give to the UKRS.

The Officer added that due to the current pandemic, the scheme has been on hold and as a result was due to conclude in April. It is anticipated that it will commence soon, but there has been no steer as to the timescales for the new scheme to come into effect, however, Cabinet were assured that the Home Office continue to support and provide their ongoing commitment to the UKRS.

Cabinet thanked the Officer for the report and discussion ensued.

A Cabinet Member sought further information on the success rate of the programme, in respect of outcomes, integration and sustainability. Officers explained that to date, 7 families have been resettled into the borough, but explained that success is difficult to measure. It was noted however that the orientation for each family has gone well, although a language barrier has caused some issues, but a support programme is in place, with a home tuition service for adults of 19 years and above. A family work programme is also in place, offering support into the work place and training, and as a result a family relocated to Caerphilly will shortly be commencing an undergraduate Nursing degree, which is a significant success. Members were assured that whilst success in this particular programme is difficult to measure, families are feeling welcome and settled and orientated.

Following consideration and discussion, it was moved and seconded that the report be approved. By a show of hands, this was unanimously agreed.

RESOLVED that for the reasons contained in the officer's report **Option 2** that CCBC participate in the successor UKRS be supported and it be noted that there are challenges in terms of housing availability, Additional Learning Needs (ALN) and general welfare provision as set out in the report.

## **7. COVID-19 BUSINESS RENTAL HOLIDAY (TREDOMEN CAMPUS)**

The report provided Cabinet with details of a proposal to grant a three-month rental holiday to business tenants on the Tredomen Campus, subject to meeting certain criteria.

It was noted that the Council has a portfolio of industrial and office accommodation across the county borough consisting of predominately industrial/light industrial accommodation, but with some office accommodation. The portfolio has been developed over time as key component of the Council and its predecessor authority's Economic Development objectives.

Businesses across the county borough have been impacted by the pandemic in differing ways, with many following UK and Welsh Government advice and regulations to adopt different working practices, and through taking advantage of a range of COVID-19 related business support schemes.

The main source of support for business tenants during the lockdown period has been the UK-wide Non-Domestic Rates (NDR) Business Grants Scheme, which provided a grant of either £10k or £25k to eligible businesses. A significant proportion of the Council's industrial and office portfolio has a Rateable Value of under £12k, which allowed the ratepayer (tenant) to receive a grant of £10k. The notable exception is the Tredomen Campus, which is operated

as serviced office accommodation. This agreement means that the tenants pay an all-inclusive rent that includes Business Rates and has resulted in tenants being ineligible for the grant scheme as the Council is the ratepayer.

A number of business tenants initially requested support from the Council by way of a rent holiday. In response Officers introduced a rent deferral option for business tenants whereby rent due between April and June 2020 was deferred, on request, to be repaid over 3, 6 or 9 months.

The rent deferral period has now come to an end, but several businesses continue to suffer the effects of the lockdown with many reporting cashflow, customer demand and supply chain issues. As such, some requests have been made to Officers for rent to be waived as opposed to additional/extended deferment.

Cabinet thanked the Officers for the report and discussion ensued.

The Leader outlined that the criteria was not determined by the Council, and the report recommends rectifying an anomaly in order to support our local businesses during the current crisis.

A Cabinet Member, in noting the significant work undertaken to administer grants to eligible businesses, sought further information on those businesses who were not eligible and the impacts the pandemic has had. Officers explained that some businesses have looked to downsize as a result of staff home working, whilst some others have seized the opportunity to expand their enterprise and seek start-up grants. Members were asked to note that due to the pandemic ongoing, the full implications are not yet realised.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the officer's report: -

- i) that the rent due from private tenants located within the Tredomen Campus be waived between April and June 2020 where the following criteria are met: -
  - The tenant would have been eligible for a NDR Business Grant had they been the registered ratepayer at the qualifying date of the 20th March 2020.
  - The tenant has not been able to access funding from the Economic Resilience Fund (ERF).
- ii) that the lost income of up to £75k is funded from specific earmarked reserves that will be established to meet unfunded costs arising from the Covid-19 pandemic.

## **8. CARDIFF CAPITAL REGION HOUSING INVESTMENT FUND – VIABILITY GAP FUND SITES**

The report provided Cabinet with an update on the Cardiff Capital Region (CCR) Housing Investment Fund (HIF) programme aimed at unlocking housing sites that are currently stalled due to a viability gap and to consider the opportunities the programme offers for unlocking three sites:

- Windsor Colliery in Abertridwr
- Land at Gellideg Height in Maesycwmmmer; and
- Land at Heolddu Grove in Bargoed;

The report also sought approval for the Interim Head of Property Services, in consultation with the relevant Cabinet Member(s), to negotiate and conclude the sale of Windsor Colliery to United Welsh Housing Association (UWHA) if necessary.

Cabinet noted the details of the Cardiff Capital Region Housing Investment Fund – Homes for all the Region, specifically the Viability Gap Fund (VGF), which will provide funding recommendation opportunities for sites that are stalled due to significant infrastructure or remediation costs.

Members noted that the report seeks approval to progress and submit formal funding applications for HIF VGF funding to Cardiff Capital Region (CCR) in respect of three prioritised sites which can demonstrate a gap in their viability due to infrastructure and/or remediation costs.

The three prioritised sites are either housing allocations in the Adopted Caerphilly County Borough Local Development Plan Up to 2021 (LDP), or within the settlement boundary. The sites are:

- Windsor Colliery in Abertridwr
- Land at Gellideg Heights in Maesycwmmmer; and
- Land at Heolddu Grove in Bargoed.

It was noted that Windsor Colliery is within Local Authority ownership. Cabinet approval has already been granted for the site to be developed through a 'leased model' of development in order to increase affordable housing provision. However, in order to achieve a viable scheme, it may be necessary for the proposed developer for the site namely United Welsh Housing Association (UWHA) to purchase the land, and the report also sought approval for officers to undertake negotiations on the sale if necessary.

Cabinet thanked the Officer for the report and discussion ensued.

A Cabinet Member sought further information on the projects, in particular around the carbon neutral proposals. Officers explained that the exact housing structures are currently under debate with the provider United Welsh and it is hoped that this will be confirmed soon. However, Cabinet were assured that there is a drive towards zero carbon, cheap to run and sustainable housing as part of the Caerphilly Homes portfolio and negotiations are underway, with these aims in mind.

Discussions took place around 'Passivhaus' and whether this model was something for consideration. Officers explained that the site in Caerphilly, which is currently under development aims to meet the standards set out within this model, as are further developments proposed under Caerphilly Homes.

A Cabinet Member sought further information on the use of developers and whether Small to Medium Enterprises (SME's) will be utilised in the development of the sites and how this will be managed. Officers explained that the HIF SME Fund is in the process of being developed by Cardiff Capital Region and details on this element of the HIF fund are expected by the end of the year. Members were assured that any further developments related to the SME Fund would be presented to Cabinet when further information is available.

A Cabinet member was pleased to note the allocation of brownfield sites as part of the programme and noted the importance of, and difficulties in utilising these sites and making them fit for purpose.

A Cabinet Member raised a query, which was submitted by the local ward member at Maesycwmmmer, in relation to the Gellideg Heights site. The local member raised concerns around the impact of the development on the local environment, road infrastructure, school and GP places and the proposed developments adverse impact to local residents. Officers

explained that part of the site currently has the benefit of planning consent, part is allocated in the Adopted LDP. The HIF proposal combines these. It is proposed to utilise the existing access for the HIF proposal and if acceptable the impact on the green wedge would be less than the impact of the existing planning consent, as this scheme proposed a new access road which would cut through a significant part of the green wedge. Members were assured that any proposal will need to obtain planning consent and all material planning considerations, including access, impact on green wedge, environmental concerns etc would be considered in the determination of the application. The scheme would also require SAB approval. Work is currently underway to meet the HIF deadlines.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the officer's report: -

- i) the opportunities afforded by the proposed Cardiff Capital Region (CCR) Housing Investment Fund (HIF) Viability Gap Fund (VGF) programme be noted;
- ii) that bids for HIF VGF funding be submitted to CCR for the following prioritised sites:
  1. Windsor Colliery in Abertridwr;
  2. Land at Gellideg Heights in Maesycwmmmer; and
  3. Land at Heolddu Grove in Bargoed.
- iii) that the Interim Head of Property Services, in consultation with the relevant Cabinet Member/s enter into and conclude negotiations on the sale of Windsor Colliery to UWHA if necessary.

## **9. PRIVATE SECTOR HOUSING - PROPOSED EMPTY HOMES TEAM TO DELIVER EMPTY HOMES PROGRAMME, INCLUDING VALLEY TASKFORCE INITIATIVE**

The report sought Cabinet approval to participate in the proposed empty homes work programme and to establish an empty homes team within Private Sector Housing, with the associated cost being met through Capital Earmarked Reserves.

The report also sought Cabinet approval for the capital funding required to support the delivery of Phase 2 'Empty Property Grants' via the Valley Taskforce (VTF) initiative and the establishment of an Empty Homes Team.

Cabinet were asked to note that with no dedicated staff resource to proactively progress empty home issues CCBC has, to date, only been able to deal with reactive complaints linked to long term vacant properties. Welsh Government are very keen for Local Authorities to actively address the problems associated with empty properties and are currently progressing an enforcement agenda throughout Wales, aimed at returning empty properties, including empty homes, back into beneficial use. The report outlined the private sector empty homes work programme linked to the Welsh Government agenda and the development of an Empty Homes Team to successfully undertake the work as well as contributing to the wider issues associated with empty properties within our communities.

Cabinet thanked the Officer for the report and discussion ensued.

A Cabinet Member, in noting the work currently being undertaken, and the need in the borough to not only bring vacant properties back into use to mitigate anti-social behaviour and community image, but to help meet the housing demand, sought further information on the costs to fund the team and the number of properties sought to bring back into use. The Officer explained that there is currently 1 member of staff allocated for 1 day per week to the



programme and as a result, only enforcement actions are considered due to limited time and Funding. Since Welsh Government announced the availability of the Valley Taskforce Funding, enquiries have been received from 138 property owners, keen to take part in the programme and get their properties occupied.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands, this was unanimously agreed.

RESOLVED that for the reasons contained in the officer's report: -

- i) the report be noted;
- ii) the creation of an empty homes team be approved and the funding of fixed-term staffing costs of £275k to deliver the work programme associated with Welsh Government's empty property enforcement agenda.
- iii) the capital allocation of up to £700k to support the delivery of Phase 2 'Empty Property Grants' via the VTF Initiative be approved.
- iv) the total funding requirement of up to £975k should be met from Capital Earmarked Reserves.

#### **URGENT ITEM – NOT SUBJECT TO CALL-IN**

#### **10. CAERPHILLY HOMES INNOVATIVE DEVELOPMENT PROPOSALS – LLANFABON DRIVE, TRETTHOMAS; THE CRESCENT, TRECENYDD & OAKDALE COMPREHENSIVE SCHOOL**

In accordance with the Council's Constitution the Mayor had agreed that the decision proposed was reasonable in all the circumstances and should be treated as a matter of urgency and therefore exempt from Call-in. The decision will be reported to the next meeting of Council.

The report provided Cabinet with an update on the work undertaken to date with Willmott Dixon to increase the number of affordable homes for social rent within Caerphilly Homes' portfolio. The work has focused on bringing innovation, scale and momentum to an ambitious desire by the Council to deliver 400 homes by 2025.

The report sought approval from Members formally engage Willmott Dixon via the SCAPE Official Journal of the European Union (OJEU) compliant framework to deliver a new, Caerphilly made, bespoke housing solution at The Crescent, Trecenydd; Llanfabon Drive, Trethomas and the former Oakdale Comprehensive School site on behalf of Caerphilly Homes.

The report sought approval to apply for funding from the Welsh Government's Innovative Housing Programme for two of the three sites noted above as pilot or demonstrator sites (The Crescent, Trecenydd and Llanfabon Drive, Trethomas).

Cabinet noted that in order to bring scale, pace and momentum to the Council's ambition to deliver 400 new homes between 2020 and 2025 and deliver against the commitment to ensure that Caerphilly is a zero carbon borough by 2030, officers have been working closely with Willmott Dixon via the SCAPE framework.

It was noted that SCAPE is an OJEU compliant framework which permits the Council to enter into a collaborative arrangement via an NEC contract with Willmott Dixon who tendered for and won the major works element of the SCAPE framework and who can deliver works on behalf of clients with a value of between £2m and £20m.

One of the key benefits of engaging a construction partner via the Framework is the fact that all the initial, up front feasibility work is undertaken free of charge. It is only when clients are satisfied that the feasibility work confirms that a site is viable, you proceed to the next stage entitled 'pre-construction' and enter into a formal, fee incurring contract arrangement.

Cabinet noted that Willmott Dixon have completed feasibility studies on both Llanfabon Drive, Trethomas and The Crescent, Trecenydd. A high-level outline feasibility study has been completed on the former Oakdale Comprehensive School site.

The Crescent, Trecenydd and Llanfabon Drive, Trethomas are both sites that fall within the Council's Housing Revenue Account (HRA). The former Oakdale Comprehensive School site falls within the Council's General Fund and as a result the acquisition of the site must be apportioned at the rate determined by the District Valuer.

It was noted that all studies indicate that each site is viable for development and Officers are at the point where a formal contract arrangement must be entered into in order for Willmott Dixon to start the detailed investigations and surveys required on all three sites. This phase of the SCAPE Framework, known as 'pre-construction', will enable Willmott Dixon to undertake the survey and design work necessary to provide a detailed cost profile before the Council commits to progressing the schemes to the next phase, known as the 'development contract' phase.

The estimated cost of the 'pre-construction' phase is £814k for all three sites. To date, the feasibility and research and development work undertaken by Willmott Dixon has been delivered free of charge.

Members noted that the mandate at the outset of the discussions with representatives from Willmott Dixon was to deliver high quality, energy efficient, healthier, accessible and flexible homes that would support the circular and foundational economies, mitigate the effects of climate change and create new opportunities for skills development, training and employment. Taking these requirements on board, Willmott Dixon have worked closely with Caledan Ltd, based on Penallta Industrial Estate, to develop an innovative and climate resilient steel framed product that is sourced locally and delivers a Passivhaus, non-combustible envelope solution ensuring that any new social rented homes achieve optimum energy efficiency, create a healthy internal environment, develop beautiful places and deliver lower running costs for tenants.

Officers explained that on 30th July, Welsh Government launched the fourth year of the Innovative Housing Programme (IHP) which has a Modern Methods of Construction (MMC) focus. Caerphilly Homes has not been able to apply for funding from this fund previously due to the focus on completing WHQS and the absence of a development programme. There is now an opportunity for Caerphilly Homes to apply for funding of up to 58% towards the costs of progressing the two demonstrator sites and up to 100% of the costs associated with the additional costs of innovation.

Cabinet noted that the deadline and process for the submission of a funding application is challenging with an expectation from Welsh Government that eligible schemes will be submitted for consideration by the Design Commission for Wales late August and Early September and that applications will be submitted by 25th September. The IHP requires signed build contracts to be in place by 5th March 2021 and schemes to start on site no later than 30th April 2021.

As a result, urgent approval is now sought to take this work to the next stages of the SCAPE framework which is the pre-construction phase for the former Oakdale Comprehensive School site, The Crescent, Trecenydd and Llanfabon Drive, Trethomas at an estimated cost of £814k.

The report sought approval to take The Crescent, Trecenydd and the Llanfabon Drive, Trethomas sites through to full planning and thereafter development at a cost of £3.7m. A further report will be brought forward to Cabinet following the preconstruction work on the Oakdale site prior to the next, development contract phase being entered into.

Approval is also sought to apply for funding from the Welsh Government's Innovative Housing Programme for the pre-construction and development contract phases of the SCAPE framework relating to The Crescent, Trecenydd and Llanfabon Drive, Trethomas. The Oakdale site will not be eligible for this grant funding as it is not anticipated to be developed for affordable housing only which is a key requirement for the grant award.

Cabinet were assured that all three schemes will be subject to planning and SAB requirements. A preapplication process is underway for both the Trecenydd and Trethomas sites. The HRA has included building development in its portfolio and proposals have been submitted in the 2020/21 Housing Business Plan, which at the time of submission, confirmed that the HRA remained viable and the borrowing requirement, affordable. This was submitted prior to the Covid-19 pandemic.

Cabinet thanked the Officer for the report and welcomed Mr A. Dobbs – Wilmott Dixon and his colleagues to the meeting to provide a presentation on the scheme, outlining materials, costs and deadlines, as well as sustainability factors and links to the mantra of the Wellbeing of Future Generations Act 2015.

Cabinet thanked Mr Dobbs for his presentation and discussion ensued.

The Cabinet Member for Housing and Property wished to express their gratitude to Wilmott Dixon, and Jane Roberts-Waite and her team for working tirelessly to bring the report today and noted the urgency of the item due to the deadlines imposed by Welsh Government.

A Cabinet Member sought further information on the costs and funding allocation for the programme. The Officer explained that the IHP is in its fourth year of the programme, which until now, Caerphilly has not been to apply to. It was noted that it is anticipated that costs in relation to the innovation and steel frames for the properties will receive 100% funding but survey costs etc. will receive 58%.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands, this was unanimously agreed.

RESOLVED that for the reasons contained in the officer's report: -

- i) that the move to the pre-construction phase of the SCAPE Framework be approved for The Crescent, Trecenydd, Llanfabon Drive, Trethomas and the former Oakdale School sites at a cost of £814k.
- ii) that the move from the pre-construction phase of the SCAPE Framework be approved through to full planning and into the development phase for The Crescent, Trecenydd and Llanfabon Drive, Trethomas sites at an estimated cost of £3.7m.
- iii) that the submission of an IHP funding proposal to finance up to 58% of the costs associated with the pre-construction and development of the Trecenydd and Trethomas sites and up to 100% of the innovation related costs.

The meeting closed at 12:06.

Approved and signed as a correct record subject to any corrections made at the meeting held on 30th September 2020.

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CHAIR

Cabinet Date	Title	Key Issues	Author	Cabinet Member
30/09/20 10:30	Leaseholder Management Charges	To seek Cabinet approval to increase leaseholder service charges to recover actual costs and avoid ongoing subsidisation by the Housing Revenue Account	Couzens, Shaun;	Cllr. Phipps, Lisa;
30/09/20 10:30	Economic Recovery Framework	To provide Cabinet with an overview of the proposed framework for economic recovery in response to the Covid crisis.	Kyte, Rhian;	Cllr. Morgan, Sean;
30/09/20 10:30	Covid Recovery Framework	To propose the principles of the council's recovery plans to covid	Harrhy, Christina;	Cllr. Marsden, Philippa;
14/10/20 10:30	Agile/Flexible Working	To propose a flexible working model for the council	Edmunds, Richard (Ed);	Cllr. Gordon, Colin J;
14/10/20 10:30	Proposal for amending the Council's approach to handling cash	To put in place the necessary mechanisms to enable cash to be collected in the short term as well as making a number of proposals for changing the Council's approach to handling cash over the medium to long term	Harris, Stephen R;	Cllr. Stenner, Eluned;
14/10/20 10:30	Annual Equalities Report 2018/19	To seek Cabinet approval for the Statutory Annual report 2018/19	Cullinane, Anwen;	Cllr. Stenner, Eluned;
14/10/20 10:30	Cashless Catering	To update Members on the current position with regards to the Councils Cashless catering solution in schools and to seek approval of funding to expand the provision.	Richards, Sue;	Cllr. Whiting, Ross;
28/10/20 10:30	(16) Community Asset Transfer Policy	Strategic Plan - Development of a policy and options to deliver a framework for Community Asset Transfer	Peters, Kathryn;Broadhurst, Timothy;	Cllr. Phipps, Lisa;
28/10/20 10:30	Safer Recruitment Procedure	For Cabinet to consider the safer recruitment procedure and the DBS Policy that clearly outlines the Council's commitment to safe recruitment and DBS practice and officer accountability to ensure this. The DBS policy relating to Schools also shows commitment to ensuring robust DBS practice within schools	Donovan, Lynne;	Cllr. Gordon, Colin J;

Freedom of the Borough - 28/10/20 10:30 Royal British Legion	To seek Council approval to bestow the Freedom on the Borough to the Royal British Legion	Forbes-Thompson, Cath; Cllr. Marsden, Philippa;
28/10/20 10:30 Pavement Licences	To review and update the council's approach to the issuing of pavement licences for placing items and trading on the highway.	Williams, Mark S; Cllr. Ridgewell, John



## CABINET – 30TH SEPTEMBER 2020

**SUBJECT: LEASEHOLDER CHARGES**

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES**

- 
1. The attached report was considered by the Housing and Regeneration Scrutiny Committee on 17th September 2020. The report outlined a proposal to revise existing recharges to leaseholders prior to consideration by Cabinet, so that Caerphilly Homes can recover the actual costs incurred for providing the service and the establishment of a leasehold buy back policy. Members were asked to note an amendment in the report at point 5.6 that the first increased payment would not be requested until September 2022 not 2021.
  2. Members were assured that leases include details of the leaseholder responsibilities for these charges and that copies could be provided if requested.
  3. Clarification regarding the statutory process for informing leaseholders of planned works was outlined with Members advised that leaseholders are contacted to inform them of any planned works and they can suggest suitable contractors that may be included in the tender process, however any nominated contractor must still meet the criteria for the tender process.
  4. The scrutiny committee were advised of the dispute process where leaseholders can query the costs, but the Council have the right to proceed as stated in the lease. Leaseholders can question the standard of work carried out and any substandard works will be rectified. There are plans to introduce a survey once works are completed in order to ascertain the views of leaseholders
  5. Following consideration and discussion the Housing and Regeneration Scrutiny Committee unanimously agreed to recommend to Cabinet that:
    - (I) The proposed increase in leaseholder management fees and the introduction of recharges for providing specific services be approved.
    - (II) A phased increase of the leaseholder management fees as outlined in section 5.6, option 2 of the attached report to become effective from April 1st 2021, be approved.
    - (III) To establish a Caerphilly Homes leasehold property 'buy back' policy, to be implemented in consultation with the Cabinet Member for Housing and Property.

Author: Catherine Forbes-Thompson, Scrutiny Manager – [forbecl@caerphilly.gov.uk](mailto:forbecl@caerphilly.gov.uk)

Appendices: Report to Housing and Regeneration Scrutiny Committee 17th September  
2020 – Agenda Item 9





## **HOUSING AND REGENERATION SCRUTINY COMMITTEE – 17TH SEPTEMBER 2020**

**SUBJECT: LEASEHOLDER CHARGES**

**REPORT BY: CORPORATE DIRECTOR OF SOCIAL SERVICES & HOUSING**

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### **1. PURPOSE OF REPORT**

- 1.1 To recommend to Members that they support the proposal to revise existing recharges to leaseholders prior to consideration by Cabinet so that Caerphilly Homes can recover the actual costs incurred for providing the service and the establishment of a leasehold buy back policy.

### **2. SUMMARY**

- 2.1 This report sets out Caerphilly Homes' proposal to increase the leaseholder management fee currently charged to reflect the actual costs incurred for providing the service, these costs are currently subsidised by tenants via the Housing Revenue Account.
- 2.2 Also to introduce charging for specific services that are recoverable under the terms set out in the various leases that are in place.
- 2.3 Currently the Housing Revenue Account (HRA) bears the burden of unrecovered costs incurred from providing services to leaseholders. However, Caerphilly Homes should neither subsidise the services received by leaseholders nor seek to make a surplus income from the levied charges. Therefore, it is important that Caerphilly Homes adopts a more robust and transparent charging policy in order to demonstrate fairness and value for money.
- 2.4 Officers recognise the financial impact the proposals contained within this report will have on leaseholders and have therefore included, for your information, the mechanisms in place to assist leaseholders in meeting the various costs incurred and proposals for introducing a leasehold property buy back policy.

### **3. RECOMMENDATIONS**

- 3.1 That members consider the proposed increase in Leaseholder Management fees and the introduction of recharges for providing specific services, prior to submission to Cabinet.
- 3.2 That members consider a phased increase of the Leaseholder Management Fees as outlined in section 5.6, option 2., prior to submission to Cabinet.

- 3.3 That members consider the establishment and implementation of a Caerphilly Homes leasehold property 'buy back' policy prior to submission to Cabinet which would be implemented in consultation with the Cabinet Member for Housing and Property.

#### 4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that Caerphilly Homes has a robust charging policy that reflects the actual costs incurred in providing the leaseholder service and has suitable mechanisms in place to assist leaseholders in meeting their associated costs.

#### 5. THE REPORT

- 5.1 There are currently 408 flats within the council's housing stock owned by leaseholders following their sale under the Right to Buy (RTB) scheme. Many of these flats would have been sold onto others since the original purchase from the council. Due to local government reorganisations there are currently at least four different leases in use depending on when the RTB was exercised and who their landlord was at the time of sale. In addition, approximately 173 of these leasehold properties are sub-let bringing in rental income for the leaseholder who is thereby acting as the landlord.
- 5.2 Caerphilly Homes as lessor has the responsibility to maintain and repair the exterior and structure (including communal areas) of the block of flats in accordance with the terms set out in the lease. The legislation that covers leasehold matters including charging for services provided is the Landlord and Tenant Act 1985 (as amended by the Commonhold and Leasehold Reform Act 2002).
- 5.3 The following table shows the charges that leaseholders are currently required to pay in accordance with the terms set out in their property lease.

Type of Charge	Amount	Comments
Ground Rent	Varies either 10 pence or 10 pounds	Recharged annually
Buildings Insurance	Varies in accordance with sum insured	Recharged annually
Management & Administration Fee	£10.00	Recharged annually  The Management Fee covers: Leaseholder Officers costs, maintenance of accounts/ records, producing annual service charges/quarterly reports, provision costs, issuing invoices, cost recovery, dealing with queries, general and support costs, management of the building and estate. Providing information for and attending Leaseholder

Response Repairs	Varies in accordance with day to day works undertaken on the structure and exterior of the property	Valuation Tribunals. Support services - customer support, Central repairs, Finance, Tenant involvement, Communication, Business improvement, IT and Corporate  Recharged annually where relevant
Major Works which includes an administration charge of 10% on all works undertaken (which is currently capped at £300 on WHQS works)	Varies in accordance with works undertaken	Formal consultation undertaken with leaseholders in accordance with relevant legislation.  Recharged on completion of contract

5.4 As the council's HRA is a ring-fenced revenue account it is required to contain only those charges directly related to the management of the council's housing stock. In order to comply with this, leaseholder charges need to reflect the true cost of maintaining the block of flats in which their property forms a part in accordance with the terms set out in their lease. This prevents the situation occurring where tenants are subsidising the cost of leaseholders who have purchased their properties.

5.5 The leasehold management charge has been reviewed over the past year to reflect the actual cost of providing the leasehold service (*see Appendix 1*). A desktop exercise has also been undertaken with 6 other social housing providers in the area to compare charges (*see Appendix 2*) and all charge significantly more than the current Caerphilly Homes £10 management fee. The actual cost of providing the service is calculated to be £199 per leasehold property, based on 2019/20 actual costs.

5.6 There are 2 options for consideration regarding the proposed increase of the management fee.

**Option 1** - Increase the recharge for the management fee to £199 with effect from 1 April 2021 to reflect the full amount payable. Review of costs completed annually, and recharges amended accordingly.

**Option 2** – Phased increase over two-year period – year 1 in the sum of £100 and Year 2 at £199 to provide a transition period for leaseholders. After the initial two-year fixed period costs would then be reviewed annually, and charges amended accordingly.

Officers preferred option would be option 2.

Although for both options the first increase date would be 1<sup>st</sup> April 2021, service charge bills are issued annually in September of each year, so the first increased payment would not be requested until September 2021.

- 5.7 In addition to the proposal to increase the management fee is the introduction of recharging for specific services provided as highlighted in table below.

<b>Task</b>	<b>Charge</b>	<b>Comments</b>
Pre-contract enquiries – Form LPE1	£150	Leasehold information pack – issued to solicitors when a flat is being sold.
Communal lighting		To be considered for charging in the future when actual costs incurred are available. Leaseholders would be fully informed prior to any changes being implemented.
Grounds maintenance		To be considered for charging in the future when actual costs incurred are available. Leaseholders would be fully informed prior to any changes being implemented.
Communal cleansing		To be considered for charging in the future when actual costs incurred are available. Leaseholders would be fully informed prior to any changes being implemented.

- 5.8 Again, this is to ensure that the HRA is not subsidising services provided to leaseholders. It is proposed that the pre-contract enquiries charge is implemented by the 1st January 2021.
- 5.9 The Tenant & Community Involvement Team propose to inform Leaseholders of the changes prior to implementation. This will take the form of a letter detailing why the charges are being increased or introduced, the actual costs involved and an opportunity for them to contact the team for further information. In addition, if any leaseholders have concerns about paying the additional costs then the Leaseholder Services officers will be available to carry out one to one meetings to discuss the options available to them if required.
- 5.10 There are already a variety of payment options available to leaseholders to assist them with repaying charges levied. These are a repayment plan, Private Sector Housing loan, Private Sector Life-time loan, Voluntary registered charge (in exceptional circumstances only and now largely superseded by the Life-time loan option).
- 5.11 In addition, consideration is being given to the option of Caerphilly Homes buying back the property in exceptional cases e.g. if the leaseholder is in severe financial difficulties. This would not be a blanket policy applicable to all, it would be subject to satisfying certain criteria and evidence of financial position. Such criteria for example would include vacant possession of the property, potential financial investment required to enable it to be let as social housing, including meeting WHQS, housing need and demand for the specific property, and value for money. Any decision on individual buy back properties would be made by the Chief Housing Officer or

Housing Services Manager in consultation with the Cabinet Member for Housing and Property.

## **6. ASSUMPTIONS**

- 6.1 The information contained in this report has been based on data collected over the previous years and therefore it has not been necessary to make assumptions.

## **7. LINKS TO RELEVANT COUNCIL POLICIES**

### **7.1 Corporate Plan 2018-2023.**

This report links to objective 3 and objective 6 of the Corporate Plan 2018-2023. By ensuring that the services received by leaseholders are recharged in accordance with the terms of their lease and not subsidised by the HRA. To address the availability, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's well-being. To support citizens to remain independent and improve their well-being

- 7.2 CCBC Strategic Equality Plan 2016-2020. The Consultation and Engagement Framework would support several key areas of the Strategic Equality Plan 2016-2020, not least the objective '*to ensure that the consequences of all new and updated policies and initiatives on specific groups are considered during the council's consultation and decision making processes*'.

- 7.3 Caerphilly Homes Service Plan 2018 – 2023.

- 7.4 Improving Lives and Communities: Homes in Wales (Welsh Government, 2010), which sets out the national context for improving homes and communities, including the energy efficiency of existing homes.

## **8. WELL-BEING OF FUTURE GENERATIONS**

- 8.1 Effective financial planning contributes to the following well-being goals within the Well-being of Future Generations Act (Wales) 2015

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A globally responsible Wales

- 8.2 The report recommendations are consistent with the five ways of working of the sustainable development principle, listed in the Act as defined below:

- Long Term – The importance of balancing short-term needs with the need to safeguard the ability of future generations to meet their long-term needs
- Prevention - How acting to prevent problems occurring, or getting worse, may help public bodies meet their objectives
- Integration – Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives

of other public bodies

- Collaboration – Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives
- Involvement – The importance of involving people with an interest in achieving the well-being goals and ensuring that those people reflect the diversity of the area which the body serves.

## **9. EQUALITIES IMPLICATIONS**

- 9.1 An EIA screening has been completed in accordance with the council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified; therefore, a full EIA has not been carried out.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 There would be financial implications for leaseholders by raising the management fee and by the introduction of new charges.
- 10.2 There are implications for the HRA by not recovering the actual costs of managing the leasehold service. Any non-recovery increases the amount that must be subsidised from tenant's rent payments.
- 10.3 There would be a financial impact on the HRA for the potential buy back of any leasehold property and therefore value for money will need to be demonstrated due to the impact this could have on the Housing business plan.

## **11. PERSONNEL IMPLICATIONS**

- 11.1 There are no personnel implications associated with the report.

## **12. CONSULTATIONS**

- 12.1 This report has been sent to the consultees listed below and all comments received are reflected in this report.

## **13. STATUTORY POWER**

- 13.1 Commonhold and Leasehold Reform Act 2002 and the Council's Financial Regulations.

Author: Mandy Betts, Tenant & Community Involvement Manager,  
Bettsm@caerphilly.gov.uk

Consultees:

Dave Street	- Director of Social Services and Housing
Cllr Lisa Phipps	- Cabinet Member for Housing and Property
Cllr Andrew Whitcombe	- Chair of Housing & Regeneration Scrutiny Committee
Cllr Christine Forehead	- Vice Chair of Housing & Regeneration Scrutiny Committee

Stephen Harris  
Lesley Allen  
Robert Tranter  
Todd Rawson

- Interim Head of Business Improvement and S151 Officer  
- Principal Group Accountant (Caerphilly Homes)  
- Head of Legal Services & Monitoring Officer  
- Solicitor

**Background Papers:**

Policy and Resources Scrutiny Committee – 17<sup>th</sup> January 2017. Leaseholder Charges, author Mandy Betts, Tenant and Community Involvement Manager.

Leaseholder Handbook

Leaseholder Payment Options Flyer

**Appendices:**

Appendix 1 - Information regarding actual costs 2019/20

Appendix 2 – Desk top exercise comparing costs 2017/18 and 2019/20

## Appendix 1

Leaseholder Services Review of Management Fee - MAY 2020					
<i>Figures based on 2019-20 actuals</i>					
Description	%	Salary cost £	Total £	% Allocate d cost £	Notes
Leaseholder Officer	81%	28198	28198	28198	Full
Leaseholder Officer	100%	29786	29786	29786	Full
Tenant Participation Officer - Consultation	10%	41645	41645	4165	10%
Tenant & Community Involvement Manager	10%	47934	47934	4793	10%
Estate Management Officer	2%	39582	39582	792	2%
Chief Housing Officer					Included in 12% over heads
Clerical Officer	10%	13055	13055	1306	10%
IT support over and above Service Level Agreement (SLA)	5%	33845	33845	1692	5%
Overheads/Stationery/telephone calls/SLA's/mileage	12%	86320	86320	10358	12%
Sundry Debtors					Included in 12% over heads
Insurance					Included in 12% over heads
Legal					Included in 12% over heads
IT Services					Included in 12% over heads
				<b>81090</b>	
<b>Number of Leaseholders</b>				<b>408</b>	
<b>Annual Cost to each Leaseholder</b>				<b>199</b>	



## Comparison of Leasehold Management Fees

Organisation	2017/18	2019/20
Bron Afon	£170.00	£191.31
Cardiff Council	£163.00	No response
Monmouthshire Homes	£90.00	£92.13
Newport City Homes	£58.00	£180.00 (approximate)
Merthyr Valley Homes	No response	£70.00
V2C	No response	£200 - £300

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## **CABINET - 30TH SEPTEMBER 2020**

**SUBJECT: A STRATEGIC FRAMEWORK FOR RECOVERY**

**REPORT BY: CHIEF EXECUTIVE**

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### **1. PURPOSE OF THE REPORT**

- 1.1 To agree a Strategic Framework for Recovery that will support the Council and the wider County Borough to recover whilst continuing to support the Wellbeing Objectives set out in the Corporate Plan 2018-23.

### **2. SUMMARY**

- 2.1 The Covid 19 pandemic has provided an unprecedented set of challenges to Council's and the communities they serve since March 2020. During this time the Council's strategic focus has been to "protect people and place".
- 2.2 Cabinet received a report in June 2020 that provided an update on the significant work that had been undertaken by the Council and its staff to support these strategic aims. The same report was received by full Council on the 10<sup>th</sup> September 2020.
- 2.3 The events of late August and early September have revealed that the pandemic is still "live" and the growth in cases within the County Borough proves categorically that we remain with the response phase. Such occurrences can lead to re-prioritisation of resources and disruption to routine work schedules as staff concentrate on an immediate emergency response. However, prior to these recent events, the council has been beginning to plan for and move to recovery. It is therefore important that a Framework for managing the recovery across Caerphilly is in place to guide next steps and a new strategic focus is adopted.
- 2.4 This report sets out a strategic aim for our Recovery together with a set of underlying principles and values through which our recovery work will be guided.

### **3. RECOMMENDATIONS**

- 3.1 That Cabinet Agree:
- a) The Strategic Recovery Framework for Caerphilly

### **4. REASONS FOR THE RECOMMENDATIONS**

The Strategic Recovery Framework provides the overarching framework through which the Council and its communities can work together to bring about a successful recovery.

## 5. THE REPORT

5.1 The Council has previously agreed six Wellbeing Objectives within its Corporate Plan 2018-2023. These are as follows:

- **Well-being Objective 1** – Improve education opportunities for all
- **Well-being Objective 2** – Enabling employment
- **Well-being Objective 3** – Address the supply, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's health and well-being
- **Well-being Objective 4** – Promote a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and minimises the adverse impacts on the environment
- **Well-being Objective 5** – Creating a County Borough that supports a Healthy Lifestyle in accordance with the Sustainable Development Principle within the Well-being of Future Generations (Wales) Act 2015
- **Well-being Objective 6** – Support citizens to remain independent and improve their well-being

5.2 These well-being objectives were set using intelligence and data from the Well-being Assessment that was carried out to inform the Public Service Board's Well-being Plan. This exercise captured directly the concerns of residents at the time and the areas that they would like to see improved over the medium to long term. Progress towards these well-being objectives will continue to be a focus for the organisation moving forward.

5.3 The recovery of the organisation and the wider county borough will be organised and delivered through the Framework set out within this report. This Recovery Framework must be considered as an addendum to the delivery of the Corporate Plan, and is intended to provide an initial focus and a means of building momentum as the Council and the Community seek to recover from the significant impact of the COVID-19 pandemic.

5.4 The Council is proposing two overarching Strategic Recovery Aims:

**Recovery Aim 1 - Reassure our communities and steady our economy to enable us to create together, a positive and vibrant future**

**Recovery Aim 2 - Reshape the organisation to proactively respond to social, economic and environmental needs**

5.5 In order to support these two strategic Aims, the Council's immediate work programme will be based on the following Strategic Principles:

### **Strategic Principle 1 – Service Reintroduction**

Reintroduce services around the needs of individuals and communities in accordance with Covid19 regulations and other legislative requirements. It should be

noted that some of the services listed below when reintroduced may not function in the same way that they had done prior to lockdown.

The projects and programmes that will support the Service Reintroduction Principle are as follows:

- Returning all learners to School (Primary, Secondary and Preschool Settings)
- Recommencing Social Services Day Opportunities
- Increasing Respite Care for adults and children with a disability
- Recommencing Housing Non-Emergency Repairs
- Recommending Planning Enforcement
- Return to Full Decision-Making and Scrutiny
- Reopening Libraries
- Reopening Leisure Centres
- Youth Service Provision
- Catering
- Building Cleaning
- Transport (Public/Social Services/Education, SEN and EOTAS)

### **Strategic Principle 2 – Future Wave Preparation**

Prepare for further waves of the virus and reduce the impact on people and place as much as possible.

The projects and programmes that will support the Future Wave Preparation Principle are as follows:

- Reflections on COVID Response
- Wave 2 Service Planning
- Supporting Strategic Coordinating Group (LRF)
- Supporting Gwent Test, Trace and Protect Service

### **Strategic Principle 3 – Supporting Businesses**

Provide support to assist business stability and growth

The projects and programmes that will support the Supporting Businesses Principle are as follows:

- Economic Recovery Framework
- WG Economic Resilience Fund

### **Strategic Principle 4 – Caerphilly Cares**

Wrap support around individuals and communities, to enable them to help themselves prosper and grow.

The projects and programmes that will support the Caerphilly Cares Principle are as follows:

- Buddy Scheme
- Caerphilly Cares Branding and Concept Promotion
- Corporate Volunteering Policy

### **Strategic Principle 5 – Service Transformation**

Reframe Council services based upon COVID learning and embed change through the TeamCaerphilly - Better together principles and transformation plans.

The projects and programmes that will support the Service Transformation Principle are as follows:

- Corporate Review - Walk in Services
- Corporate Review - Remote Contact
- Corporate Review - Front Line Service Delivery
- Corporate Review - Support Services
- Corporate Review - Flexible Working
- Corporate Review – Sustainable Financial Planning
- Corporate Review - Workforce Development
- Corporate Review - Corporate Volunteering
- Corporate Review - Information Insight and Intelligence
- Corporate Review - Decision-Making
- Future approach to Handling Cash

- 5.6 The Values embedded within the TeamCaerphilly Transformation programme will be extended to this Strategic Recovery Framework. Every stakeholder involved in supporting the recovery effort will aim to be:

Innovative	-	Empowered, to develop innovative and creative responses to challenges faced within a safe culture of mutual respect.
United & Connected	-	We share a vision that serves the common good; we will actively collaborate & engage in healthy communication. We will celebrate our success together.
Trusted	-	We will act credibly, reliably and will foster, support and maintain positive relationships.
Resilient	-	We will work together maximising our collective strengths to rise to the challenges we face and adapt to any adverse conditions.
Open and Transparent		We will communicate with each other openly, share information, listen and appreciate other perspectives, gives prompt feedback and learn from our mistakes.

- 5.7 The diagram attached at Appendix 1 sets out graphically the Strategic Recovery Framework.

- 5.8 The detail set out within 5.5 provides the overarching work through which the Council and its communities can aim to bring about a successful recovery. It should be noted, however, that this Recovery work will be delivered alongside existing services, which are all at risk, should a second or future wave of COVID-19 give rise to further building or service closures, movement restrictions or reductions in available

resources.

5.9 Ordinarily, a Framework of this nature would include a timeframe for delivery and a set of success measures. With Caerphilly in a local lockdown and signs of a second wave continuing to develop, it is likely that response rather than recovery will continue to be the Council's primary focus over the short term. This Strategic Recovery Framework will need to be refreshed and developed further over time as additional detail becomes available.

5.10 It will be important that the Strategic Recovery Framework for Caerphilly complements and aligns to the wider recovery work and arrangements across our regional partners. At present, the Council's own Recovery Group which reports to Corporate Management Team (CMT), the Gwent Recovery Coordinating Group and Regional Partnership Board which both include CMT representation, provide that alignment. These arrangements may need to be adjusted over time and will be kept under review.

## 6. ASSUMPTIONS

6.1 None.

## 7. LINKS TO RELEVANT COUNCIL POLICIES

7.1 Caerphilly's Wellbeing Objectives 2018 to 2023. This Framework is designed to support the delivery of all six stated wellbeing objectives:

- **Well-being Objective 1** – Improve education opportunities for all
- **Well-being Objective 2** – Enabling employment
- **Well-being Objective 3** – Address the supply, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's health and well-being
- **Well-being Objective 4** – Promote a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and minimises the adverse impacts on the environment
- **Well-being Objective 5** – Creating a County Borough that supports a Healthy Lifestyle in accordance with the Sustainable Development Principle within the Well-being of Future Generations (Wales) Act 2015
- **Well-being Objective 6** – Support citizens to remain independent and improve their well-being

## 8. WELL-BEING OF FUTURE GENERATIONS

8.1 The Well-Being of Future Generation (Wales) Act 2015 is about improving the social, economic, environmental and cultural wellbeing of Wales. It requires public bodies to think more about the long-term, working with people and communities, looking to prevent problems and take a more joined up approach. This will create a Wales that we all want to live in, now and in the future. The Act puts in place seven well-being goals:

- A prosperous Wales.

- A resilient Wales.
- A healthier Wales.
- A more equal Wales.
- A Wales of cohesive communities.
- A Wales of vibrant culture and thriving Welsh Language.
- A globally responsible Wales.

8.2 The Act sets out the sustainable development principle against which all public bodies in Wales should assess their decision-making. The aim of the legislation is to ensure the well-being of future generations through maximising the contribution public bodies make towards the well-being goals. In using the sustainable development principle, it is incumbent that the Council considers the whole of the population it serves and considers the effect of its actions on future generations. The principle, also known as the five ways of working is assessed below:

- **Long Term** – This is an opportunity to drive the recovery of the Council and the community of Caerphilly and to provide a foundation upon which the county borough can thrive over the long term.
- **Prevention** – One of the Frameworks’ Strategic Aims is to “Reshape the organisation to proactively respond to social, economic and environmental needs”. In essence, this Framework seeks to drive activity that will enable the organisation, and its partners to better meet the specific needs of our Communities.
- **Integration** – The five strategic principles set out in 5.5 demonstrate how a range of disparate workstreams can be aligned to further the Council’s strategic recovery aims. TeamCaerphilly review work is being combined with COVID response activity, Health Surveillance, the development of Community Capacity and support for the Business Community all feature.
- **Collaboration** – The Council will work collaboratively with the full range of stakeholders and partners that can help drive our collective recovery and support our communities at times of need. The work set out within the Framework includes partners such as the Welsh Government, Public Health Wales, Gwent Policy, Neighbouring Local Authorities, Volunteering Wales and GAVO.
- **Involvement** – This Framework, alongside the TeamCaerphilly transformation programme, is intended to be inclusive actively encouraging residents, businesses, elected members, staff and volunteers to get involved in driving the recovery and ongoing success of the County Borough.

## 9. EQUALITIES IMPLICATIONS

9.1 At this stage there are no Equality implications identified and arising from the adoption of this Framework.

## 10. FINANCIAL IMPLICATIONS

10.1 The economic impact of COVID will be significant upon our communities. Welsh Government have committed to providing COVID support funding to Councils to cushion the impact of the pandemic over the current financial year.



10.2 The costs of supporting service delivery and the ongoing recovery will be kept under close monitoring and review and will be incorporated into our budget setting process for 2021/22.

10.3 This Framework provides a lens through which the recovery effort of the Council and some of its partners can be focused in order to mitigate on the Community as much as possible.

## **11. PERSONNEL IMPLICATIONS**

11.1 Significant staff and financial resources are required to continue with the Council response to the pandemic. Both factors are reviewed and prioritised accordingly with resource and operational plans.

## **12. CONSULTATIONS**

12.1 The draft report was distributed as detailed below. All comments received have been reflected in this version of the report.

## **13. STATUTORY POWER**

13. Local Government Acts 1972 and 2000 and Local Government (Wales) Measure 2011.

Author: Christina Harray, Chief Executive

Consultees: Philippa Marsden, Leader  
Richard Edmunds (Ed), Corporate Director for Education & Corporate Services  
Dave Street, Corporate Director Social Services & Housing  
Mark S Williams, Interim Corporate Director – Communities  
Robert Tranter, Head of Legal Services  
Stephen Harris, Interim Head of Business Improvement Services & Acting S151 Officer  
Lynne Donovan, Head of People Services  
Leadership Team

Appendix: Strategic Recovery Framework

# Strategic Recovery Framework

Recovery Aim

1

Reassure our communities and steady our economy to enable us to create together, a positive and vibrant future.

Recovery Aim

2

Reshape the organisation to proactively respond to social, economic and environmental needs.

Strategic Principle

01

**SERVICE REINTRODUCTION**

Reintroduce services around the needs of individuals and communities in accordance with Covid19 regulations and other legislative requirements.

Strategic Principle

02

**FUTURE WAVE PREPARATION**

Prepare for a second wave of the virus and reduce the impact on people and places as much as possible.

Strategic Principle

03

**SUPPORTING BUSINESSES**

Provide support to assist business stability and growth.

Strategic Principle

04

**CAERPHILLY CARES**

Wrap support around individuals and communities, to enable them to help themselves prosper and grow.



Strategic Principle

05

**SERVICE TRANSFORMATION**

Reframe Council services based upon COVID learning and embed change through the TeamCaerphilly - Better together principles and transformation plans.

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Our Values:

Innovative



Trusted



United & Connected



Resilient



Open & Transparent



# Fframwaith Adfer Strategol

Nod Adfer

1

Tawelu meddwl ein cymunedau a sadio ein heconomi i'n galluogi i greu dyfodol cadarnhaol a bywiog gyda'n gilydd.

Nod Adfer

2

Ail-lunio'r sefydliad i ymateb yn rhagweithiol i anghenion cymdeithasol, economaidd ac amgylcheddol.

Egwyddor Strategol

01

## AILGYFLWYNO GWASANAETHAU

Page 33

Ailgyflwyno gwasanaethau i ddiwallu anghenion unigolion a chymunedau yn unol â rheoliadau COVID-19 a gofynion deddfwriaethol eraill.

Egwyddor Strategol

02

## PARATOI AT AIL DON YN Y DYFODOL

Paratoi at ail don o'r feirws a lleihau'r effaith ar bobl a lleoedd cymaint â phosibl.

Egwyddor Strategol

03

## CEFNOGI BUSNESAU

Darparu cefnogaeth i gynorthwyo sefydlogrwydd a thwf busnes.

Egwyddor Strategol

04

## GOFALU AM GAERFFILI

Cymorth cofleidiol ar gyfer unigolion a chymunedau i'w galluogi i helpu eu hunain i ffynnu a thyfu.



Egwyddor Strategol

05

## TRAWSNEWID GWASANAETHAU

Ail-fframio gwasanaethau'r Cyngor yn seiliedig ar yr hyn a ddysgwyd oherwydd COVID-19 ac ymgorffori newid drwy egwyddorion a chynlluniau trawsnewid 'Tîm Caerffili - Yn Well gyda'n Gilydd'.

Ein  
Gwerthoedd:

Arloesol



Dibynadwy



Unedig a Chysylltiedig



Gwydn



Agored a Thryloyw



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## **CABINET – 30TH SEPTEMBER 2020**

**SUBJECT: COVID 19 – ECONOMIC RECOVERY FRAMEWORK**

**REPORT BY: INTERIM CORPORATE DIRECTOR OF COMMUNITIES**

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### **1. PURPOSE OF REPORT**

1.1 This report provides Cabinet with an overview of our economic recovery framework which comprises three distinct phases as follows:

- The Restart phase.
- The Revive phase.
- The Renew phase.

### **2. SUMMARY**

2.1 The Covid-19 pandemic is causing unprecedented disruption to our communities and the local economy. In response the Council has prepared a framework for recovery which aims to support the Council and the wider county borough to recover. The framework sets out 5 underlying principles, one of which includes “Business support”.

2.2 The County Borough faces immediate challenges as the effects of Covid is impacting across all sectors, businesses and jobs. Business Partners face the urgent task of understanding the evolving implications of Covid-19 for their businesses and are struggling to understand how to respond. For our part we are trying to support businesses and people who are facing redundancy with the massive challenges that lie ahead. The Economic recovery framework supports the “Business support” principle and this report outlines the economic recovery framework we are using based on three distinct phases as outlined above.

### **3. RECOMMENDATIONS**

3.1 To acknowledge the significant government response and rapid roll out of financial and business support that has taken place in the Restart Phase to help businesses in the County Borough.

3.2 To note the research that is being undertaken during the Revive Phase to understand any longer lasting impacts of Covid and a potential no deal Brexit on the local economy.

3.3 To agree the Strategic Direction proposed for the Renew Phase.

#### 4. REASONS FOR THE RECOMMENDATIONS

4.1 To provide a cohesive framework for economic recovery.

#### 5. THE REPORT

5.1 The Covid-19 pandemic is causing unprecedented disruption to our communities and the local economy. In response the Council has prepared a framework for recovery which aims to support the Council and the wider county borough to recover. The framework sets out 5 underlying principles, one of which includes “Business support”.

5.2 The Covid-19 pandemic is causing unprecedented disruption to the local economy. The initial economic shock is expected to lead to recession, and the timing and pace of economic recovery is highly uncertain, added to this we face a potential no deal Brexit which will place even further pressure on the economy. The County Borough faces immediate challenges as the effects of Covid is impacting across all sectors, businesses and jobs. Business Partners face the urgent task of understanding the evolving implications of Covid-19 for their businesses and are struggling to understand how to respond. For our part we are trying to support businesses and people who are facing redundancy with the massive challenges that lie ahead.

5.3 This report provides Cabinet with an overview of our economic recovery which supports the underlying principle of “Business Support” detailed within the Council’s Framework for Recovery. The Economic recovery framework comprises of three distinct phases as follows:

- The Restart phase.
- The Revive phase.
- The Renew phase.

##### The Restart phase

5.3 The Restart phase is very much a ‘led by government’ period supporting the phased lifting of restrictions. It is envisaged that this could take up to a year during which time there will be a continued need for some form of Government financial support which will be critical to ensure that this phase is successful.

5.4 The response to date by Government at all levels has been rapid. Outlined below is a brief overview of the Restart phase to date:

- The Council has set up an **Emergency Business Support Team** Chaired by the Head of Regeneration & Planning, comprising officers from: Regeneration, Finance, NNDR, Procurement, Communications, Rural Development Plan, Housing and Leisure Services, Welsh Government, Caerphilly Business Club Representatives and the Cabinet Member Cllr Sean Morgan.
- General information, communication and signposting to Business Wales and other forms of government relief and guidance and the creation of a dedicated E-Newsletter for Business. 8,000 contacts made on average per week through the Business Newsletter

- **Financial Business Support** in the form of the administration of a multitude of grants as follows:
  - NNDR - £32.2 m – 2781 applications
  - Phase 2 of the ERF Caerphilly - Micro 158, and 14 Sole Traders and 20 SME applications across Food and Drink, Construction and Tourism,
  - Start Up Grant - an allocation of money has been given to each Local Authority and Caerphilly have been allocated £210K which equates to 84 grants at £2500 each but is over-subscribed.
  - Caerphilly Enterprise Retail Safety Grant - £50k allocation which equates to 250 grants at £200 – to support retailers to reopen (on a first come basis).
  - Streamlined the Caerphilly Enterprise Fund to make it more reactive and broadened the eligibility to enable businesses to diversify business to react to Covid.
  - Working with Charities and Sports clubs to access Sport Wales grants.
  - RDP Post Covid Grants for rural business.
  - Rent Deferral Scheme for Council tenants requiring support in the short term.
  
- **Supplier Relief**
  - Supplier risk analysis and targeted support to supply chain companies;
  - Prompt support for companies at risk;
  - Prompt administration of payments;
  - Targeted intervention to ensure suppliers continue to be paid;
  - Ongoing monitoring of business needs.
  
- **Employer Support**
  - Working with multiple companies and training local people in readiness to take up work opportunities as they arise e.g. Transcend, Universal Glass, pharmacy positions, Shadow Scaffolding, William Hare etc;
  - Set up a Redundancy Response Team comprising Community Regeneration Officers, Careers Wales, Department of Work and Pensions, Coleg y Cymoedd etc to develop a response to the increasing unemployment rate.
  - Relunched the Caerphilly Business Club with 150+ members already signed up.
  
- **Reopening Towns**
  - Set up a working group to consider physical interventions such as road closures, street widening etc., comprising Regeneration, Planning, Highways, Licensing, Trading Standards and the Police.
  - Implemented initial social distancing measures and signage and advice;
  - Grants to business for safety measures;
  - Business Survey – online and in person in all Principal Towns to determine business requirements and the ability to trade safely outside where required
  - Design team set up to develop the measures required to support outdoor opening.
  - £400k active travel grant from WG to support physical intervention measures.
  - Repurposed Targeted Regeneration Initiative Thematic to provide grant aid for modifications for businesses to trade outdoors.

- Eat Out to Help Out discount scheme provided a 50% reduction for sit-down meals in registered cafes, restaurants and pubs from Monday to Wednesday every week throughout August 2020.
- **Tourism Recovery**
  - Tourism Recovery Group comprising Head of Regeneration & Planning, Transformation Manager Regeneration Officers and Venue Managers set up to prepare Tourism Attractions Recovery Plan.
  - Recovery Plan prepared to inform reopening and transformation of venues to the new way of working.
- **Economic Recovery Plan**
  - Commissioned research to better understand the potential implications for local businesses. The research will focus on understanding how the pandemic, which is leading to a sharp recession and possible depression, is impacting on the business community. The research will also consider the implications of a no deal Brexit on top of the Covid-19 fallout and inform the development of the Economic Recovery Plan.
  - Working with Planning Services to consider how planning policy should change to allow towns to diversify.
- **Identification of major construction projects**
  - Caerphilly Placemaking Plan
  - Working with the WLGA on shovel ready schemes for financial support to kick start the economy.
  - Social Procurement – training opportunities/local supply chain opportunities.

#### The Revive phase

- 5.5 The Revive Phase may take between 12 to 18 months and will be tied to progress with testing, a readily available vaccine and public confidence in getting back to something like normal. Proactive plans and interventions led by public authorities will be of key importance.
- 5.6 The full impact of Coronavirus on the local economy is not known, and it is too soon to say which businesses have suffered the most. There are lots of questions to answer such as:
- Will the economy experience a phased and lengthy return to normal?
  - Will, there will be an immediate economic bounce back?
  - What new trends and customer behaviours have been embedded in our daily lives longer term?
- What is certain is that we will be living with Coronavirus for some time and the firing up of the economy will be risky because protecting public health is the national priority.
- 5.7 To better understand this we have commissioned a short piece of research to focus on how the pandemic, which is leading to a sharp recession, is impacting on the business community in the county borough. The research will also consider the implications of a no deal Brexit on top of the Covid-19 fallout. It will stress test



scenarios to look at how different scales of economic impact may adversely affect the Caerphilly economy and the different sectors of the business community.

- 5.8 The research will review wider literature on both the potential economic implications of Covid-19, including changes to working practices, and a no deal Brexit. Primary quantitative and qualitative survey responses will be collected from the business community using online and telephone approaches to canvas a wide audience. A sample framework will also be drawn up to specify the key sectors in Caerphilly to target them for their views and comment on the impacts to date, and potential future risks.
- 5.9 This evidence will be analysed using basic economic modelling to understand the scale of the potential risk for the Caerphilly business community. These findings, including a review of the potential Brexit scenarios will be key to informing the Renew phase.

### The Renew Phase

- 5.10 Picking up where A Foundation for Success and our Masterplans Plans had started by addressing the structural and strategic improvements that are necessary to drive local economic growth, the Renew Phase will include renewed policy interventions, financial support and the delivery of major construction projects to create opportunities for the local economy and local supply chains and work for local people and will include for example:
- Securing funds from the regional and UK Landscape to overcome high-level public sector challenges working closely with business to use innovative new solutions (SBR/CCR Challenge Fund).
  - Understanding the future industrial growth areas as shaped by the Covid19 pandemic and working with business to inform our place in the local and regional economy in the future.
  - Driving the delivery of major construction projects to kick start economic recovery.
  - Renewing policy interventions based on the findings of the research via the Replacement Local Development Plan to:
    - Enable people to work from home and reduce the need to travel;
    - Allow businesses to grow and prosper through the delivery of suitable land and premises to meet the needs of business;
    - Enable the diversification of our towns to be vibrant places to live, work and visit with services at the heart of the local economy;
    - Support town centre re-invention and capitalise on the 'town first' principle with appropriate land use interventions;
    - Release land for new housing development;
    - Facilitating Active travel and modal shift.
  - Accelerating Caerphilly Placeshaping 2020 with a focus on 21<sup>st</sup> Century Schools, Caerphilly Homes, New Leisure Facilities, etc.
  - Accelerating Caerphilly Placemaking plan projects with the initial focus on Caerphilly Interchange, HQ Building and Ness Tar.
  - Ensuring that the significant public sector investment has the maximum social impact for the local and regional economy.
  - Improving access to the digital front door and addressing digital poverty as a barrier to employment.

- Influence regional and Welsh policy and programme development – role as member of CCR Regeneration Group, WG regional town centre group etc. through a continued dialogue with the WLGA.
- Build on developing relationship with WG Business Wales, WG Regeneration Team and WG Valleys Taskforce so we can dovetail support packages.
- During this stage we could concentrate on developing a coherent marketing strategy for the county borough to attract in new investment.
- Reinvigorating Blackwood Town Centre Masterplan emphasising public realm improvements.
- Prepare and Finalise the Final Masterplans for:
  - Heads of the Valleys (completed in Draft form 2019/20);
  - Newbridge to Risca Corridor.

## **Conclusion**

- 5.11 Whilst this report gives an overview of the framework for economic recovery and provides an overview of the work that is being undertaken to aid economic recovery at the time of writing, it should be noted that this is a fast moving policy environment with new initiatives being announced on an almost daily basis. Officers are working collectively to ensure that as new initiatives are announced they are acted upon and rolled out.

## **6. ASSUMPTIONS**

- 6.1 At the time of writing it is assumed that additional government support will be forthcoming for additional business sectors through both UK and Welsh Government and this support will be rolled out by the appropriate teams in the Council.
- 6.2 That there will be further future spikes in the Covid Pandemic which will result in the intermittent lockdown of parts of the economy over the coming 12 months.
- 6.3 That we are facing a no-deal Brexit which will further impact on our economic recovery.

## **7. LINKS TO RELEVANT COUNCIL POLICIES**

### **Corporate Plan 2018-2023.**

- 7.1 The report contributes towards or impacts predominantly on the following Corporate Well-being Objectives:

Objective 2 - Enabling employment.

Objective 3 - Addressing the availability, condition and sustainability of homes throughout the county borough.

Objective 4 - Promote a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and minimises the adverse impacts on the environment.

Objective 5 – Creating a County Borough that supports a Healthy Lifestyle in accordance with the Sustainable Development Principle within the Well-being of Future Generations (Wales) Act 2015.

Objective 6 – Supporting citizens to remain independent and improve their well-being.

### **A Foundation for Success 2018-2023.**

7.2 The report recommendations contribute towards the following Regeneration Objectives to:

- Build a more resilient and diversified economy for the county borough;
- Support economic growth, innovation and enterprise;
- Create an environment that nurtures business;
- Enhance the competitiveness of the county borough;
- Boost business support;
- Enhance opportunities for physical improvement and investment through active place making; and
- Improve the delivery and diversity the housing stock across all tenures within the county borough to meet housing need and create strong cohesive communities.

## **8. WELL-BEING OF FUTURE GENERATIONS**

8.1 This Economic Recovery Framework contributes to the Well-being objectives as set out above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act and it is aimed at improving the economic, environmental, social and cultural well-being and recovery of the area.

8.2 As such it aligns with the following well-being goals:

- A Prosperous Wales – Providing more jobs and housing in the area will create more wealth for the local population.
- A Resilient Wales – Providing additional and more diverse employment and housing opportunities will make the area more resilient to external economic factors.
- A Wales of Cohesive Communities – providing local employment and more diverse housing options will help to stabilise and develop local communities and prevent outmigration.

8.3 The report recommendations are consistent with the five ways of working as defined within the sustainable development principle in the Act. The five ways of working of the sustainable development principle, listed in the Act are:

- Long Term – The importance of balancing short-term needs with the need to safeguard the ability of future generations to meet their long-term needs;
- Prevention - How acting to prevent problems getting worse, may help public bodies meet their objectives;
- Integration – Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies;
- Collaboration – Acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet its well-being objectives;
- Involvement – The importance of involving people with an interest in achieving

the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.

## **9. EQUALITIES IMPLICATIONS**

9.1 There are no specific equalities implications associated with this report for any specific groups or individuals therefore a full equalities impact assessment has not been carried out.

## **10. FINANCIAL IMPLICATIONS**

10.1 None

## **11. PERSONNEL IMPLICATIONS**

11.1 None

## **12. CONSULTATIONS**

12.1 All consultation responses are reflected in the report.

## **13. STATUTORY POWER**

13.1 The Local Government Acts 1998 and 2003.

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