



## **CABINET**

### **MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, TREDOMEN ON WEDNESDAY, 19TH SEPTEMBER 2018 AT 10.30 A.M.**

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#### **PRESENT:**

Councillor D. Poole – Chair

#### **Councillors:**

C. Cuss (Social Care and Wellbeing), C.J. Gordon (Corporate Services), Mrs B.A. Jones (Finance, Performance and Governance), P. Marsden (Education and Achievement), S. Morgan (Economy, Infrastructure and Sustainability), L. Phipps (Homes and Places)

#### **Together with:**

C. Harry (Interim Chief Executive) and R. Edmunds (Corporate Director – Education and Corporate Services)

#### **Also in Attendance:**

J. Morgan (Trading Standards, Licensing and Registrars Manager), L. Morgan (Licensing Manager), S. Harris (Interim Head of Business Improvement Services), C. Forbes-Thompson (Interim Head of Democratic Services), J. Carpenter (Council Tax and NNDR Manager), K. Peters (Corporate Policy Manager), T. Evans (Policy Officer) and A. Dredge (Committee Services Officer).

#### **1. APOLOGIES FOR ABSENCE**

Apologies for absence had been received from Councillors N. George (Neighbourhood Services) and Mrs E. Stenner (Environment and Public Protection) and D. Street (Corporate Director - Social Services and Housing) and M. S. Williams (Interim Corporate Director – Communities).

#### **2. DECLARATIONS OF INTEREST**

Councillor S. Morgan declared an interest during the course of the meeting in relation to agenda item 5 - To Adopt the WG 'High Street Rate Relief Scheme' 2018/19 - Grant Funding. Details of which are recorded with the respective item.

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

#### **3. CABINET FORWARD WORK PROGRAMME**

The report outlined the proposed Forward Work Programme of future Cabinet reports and sought endorsement of the Programme for the period September 2018 to July 2019.

The Cabinet Forward Work Programme is updated on a regular basis to reflect any amendments that are made to it since it was first agreed on 22nd January 2014. Cabinet were asked to note that, since the publication of the report, there were some changes and additional items added to the Programme, which were highlighted by the presenting Officer.

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 and changes agreed at the meeting, the Forward Work Programme appended to the report be approved and published to the Council's Website.

#### **4. OUTCOME OF CONSULTATION IN RESPECT OF PROPOSALS TO INCREASE HACKNEY CARRIAGE FARE TARIFFS**

The report updated Cabinet with the objections received from the statutory consultation on the proposed tariff of fares and sought approval of the fare tariff with or without modification and the date it comes into effect. The Tariff of fares for Hackney Carriages has been reviewed in response to requests received from the licensed trade.

Reports had previously been considered by the Taxi and General Licensing Committee and at Cabinet on the 25th July 2018 approval was given to commence the statutory publication of the proposed new tariff as set out in Appendix A. This was a 14 day consultation period. Cabinet were also informed that following the consultation if no objections were received, the fare tariff would come into effect immediately.

Cabinet were advised that an advertisement detailing the public consultation was placed in the Western Mail newspaper on the 4th August 2018 and a notice displayed at the Council Offices at Ty Penallta, Ystrad Mynach. A letter was sent to all licensed drivers in the borough and a press release issued and information posted on the Council's corporate website. In line with the Equality Impact Assessment Officers also e-mailed groups representing those with protected characteristics namely Caerphilly County Borough Access Group, Disability Can Do and the 50 Plus forum, notifying them of the consultation.

It was explained that prior to the expiry of the consultation period on the 17th August 2018, one formal objection was received to the proposed increase. Details of which were set out in Appendix B of the report. The primary objection was the times of operation of the tariffs i.e. 7am-7pm for tariff 1 and 7pm-7am for tariff 2. The resposdee suggested that the tariff times should be applicable between 6am to 10pm (tariff 1) and 10pm to 6am (tariff 2) but did not expand on the reasons for this suggestion. An additional comment was received on Tariff 2 via Social Media, this individual was directed to the formal mechanism to register any objection, however no further contact was received. The Equalities Impact Assessment (EIA) (appended to the report) has been updated following the consultation undertaken.

Cabinet were asked to consider the wide scale consultation undertaken, the low-levels of representations received and approve a tariff with or without modification and the date it comes into force.

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, the implementation of the Tariff as detailed in Appendix A, with an effective date of the 25th September 2018, be approved.

## 5. TO ADOPT THE WG 'HIGH STREET RATE RELIEF SCHEME' 2018/19 - GRANT FUNDING

Councillor S. Morgan declared a personal and prejudicial interest in relation to this report as he is a property owner. He left the room when the report was considered and did not take part in the debate or vote.

The report sought Cabinet approval to adopt the 'High Street Rate Relief Scheme' that has been introduced by Welsh Government (WG). The Cabinet Secretary for Finance has announced a new temporary national non-domestic rate (NDR), also known as business rate, 'High Street Rate Relief Scheme' for the financial year 2018-2019 only. The relief granted by the Authority under this new scheme is to be reimbursed by WG by way of a specific cash-limited grant but, before any relief is awarded, the Authority must consider and adopt the new scheme. It was explained that the Scheme aims to provide support for eligible high street retail businesses by offering up to £250 discount on the business rate bill per property for Tier 1 eligible properties and up to £750 per property for Tier 2 eligible properties for the financial year 2018-2019, subject to State Aid limits. The maximum amount of high street rate relief available to each eligible ratepayer is now half of that which was offered under the 2017-18 Scheme. On 30th July 2018, WG issued the funding allocation for the Scheme, and this Authority's allocation is £132k. Relief is to be provided under Section 47 of the Local Government Finance Act 1988 in accordance with the criteria and conditions specified in the guidance set out at Appendix 1.

In order to qualify for this rate relief, the guidance states that it will be for local authorities to determine how they wish to administer the Scheme. In order to maximise take-up by ratepayers and minimise administration costs for the Authority, it is proposed that rate relief is applied directly to eligible ratepayers' bills for those ratepayers who completed an application form and received rate relief under the 2017-18 Scheme, and are eligible for rate relief under the 2018-19 Scheme. In these cases, an application form will not need to be completed for 2018-19. However, if this path were to be followed, the guidance sets out a substantial amount of text which it recommends should be incorporated into an award letter addressed to each eligible ratepayer setting out the State Aid implications. Furthermore, if an eligible ratepayer believes he or she is not entitled to receive this relief, a declaration within the letter must be signed and returned to the Authority. An application form will need to be completed in cases where a ratepayer did not receive High Street rate relief last year but meets the 2018-19 Scheme eligibility criteria. In 2017/18, Officers issued initial application forms and several months later follow-up reminder letters were issued urging those ratepayers yet to apply to do so without further delay. It is intended that similar arrangements will be made for this scheme where a properly completed application form is not held in respect of the 2017/18 or 2018/19 Scheme.

It was noted that each ratepayer required to complete an application form will need to submit the application to the Authority by no later than 15th February 2019 to allow officers to submit the final grant claim by 28th February 2019, as required by WG. The business community will be informed of the Scheme via the Council's website and the 'Newslines' publication. In addition, the Authority will write to ratepayers that it considers may be eligible for relief under the Scheme to inform them about the availability of relief and to provide information on the application process. The Authority's Business Rate Team will therefore write to all newly-eligible businesses enclosing the appropriate application form to try and maximise take-up of the Scheme. Members are advised that 74% of eligible ratepayers applied for and received High Street rate relief in 2017/18.

Cabinet were informed that there will be no financial implications with the adoption of the scheme. The Authority has received a small administration grant of £3,371.19 from WG and this will sufficiently cover the works to be undertaken in delivering the scheme.

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 'High Street Rate Relief Scheme' 2018-2019, be adopted with immediate effect in accordance with the guidance set out at Appendix 1 and the provisions of Section 47(1)(a) and Section 47(3) of the Local Government Finance Act 1988. The Head of Corporate Finance and S151 Officer to use delegated powers to award the relief;
- (ii) the proposals set out in paragraphs 4.5 to 4.7 to allow successful applicants for the 2017/18 Scheme who are eligible to receive rate relief under the 2018/19 Scheme, to have the rate relief awarded without the need to make a further application this year, be adopted;
- (iii) ratepayers who have not completed an application form for the 2017/18 Scheme be required to properly complete and return an application form for the 2018/19 Scheme. Where an application form is required, such a form must be completed by each eligible ratepayer for each qualifying property and returned to the Business Rates Team no later than 15th February 2019, be agreed.

## **6. ELECTRIC VEHICLE STRATEGY AND ACTION PLAN.**

The report sought approval of the Council's Draft Electric Vehicle Strategy and Action Plan.

Cabinet were advised that Caerphilly County Borough Council's first Electric Vehicle Strategy and Action Plan (appended to the report) presents an innovative and strategic approach for electric vehicles across the county borough. It sets out the proposed approach to supporting the installation of electric vehicle infrastructure to maximise the economic, social and environmental benefits and opportunities that electric vehicles provide, and for electric vehicles to be a fundamental part of the Council's own fleet.

Officers outlined the growing market in electric vehicles, arising from the UK Government's announcement to ban new diesel and petrol vehicles from sale in the UK from 2040 and the increasing number of car manufacturers investing in the new technology. Advances in battery technology in particular have allowed electric vehicles to have ranges in excess of 180 miles on a full battery charge, and the number of new electric and hybrid vehicle registrations in Wales rose by 35% in 2017, with 82 electric vehicle registrations in the Caerphilly county borough. However there are currently no publicly available electric vehicle charge points in the Caerphilly county borough and only 439 charge points across Wales.

Therefore a strategy to support the implementation of electric vehicles and electric vehicle charge points is required to progress this important work. This will put into place the infrastructure to support staff and residents to invest in electric vehicles and encourage visitors who drive electric vehicles to visit the county borough. The strategy also includes the promotion and installation of infrastructure to support electric bikes (E-bikes), electric mopeds and other electric vehicles that contribute to the overall aims of the strategy. Members were also referred to the aims and key objectives of the CCBC Electric Vehicle strategy as set out in the report.

The majority of vehicles on the streets of Caerphilly County Borough today run on either petrol or diesel fuel. However, the situation is changing due to the advances in new technology and the issues surrounding current technology. For these reasons the UK Government recently announced its plans to ban new diesel and petrol vehicles from sale in the UK from 2040. Due to this, vehicle manufacturers are working to advance technology in electric vehicles along with other alternative fuel vehicles and to build consumer interest. The profile of electric vehicles is now growing and is seen as a contributor to reducing carbon emissions and improving air quality.

Cabinet were advised that the report had been presented to the Policy and Resources Scrutiny Committee on the 6th September 2018. The Scrutiny Committee were supportive of the proposals outlined in the draft Strategy and felt that it was important for Caerphilly County Borough Council to lead by example, and therefore unanimously recommended to Cabinet that for the reasons contained therein, the draft Electric Vehicle Strategy and Action Plan as appended to the report be approved, in order to encourage further take-up of electric vehicle usage.

Cabinet thanked the Officers for the excellent strategy and confirmed this directly links in with the Wellbeing of Future Generations (Wales) Act 2015. The Chair advised that he has had an opportunity of using the new Electric Corporate Vehicle and was impressed by its performance and how quiet the vehicle presents. The usage and efficiency savings will now be compared to the previous Corporate vehicle and details presented at a later date. In terms of timescales for the implementation of the Strategy and Action Plan, it was explained that these will be developed by obtaining more detail. An Electrical Vehicle Strategy Group has been established, with colleagues across the Authority that include Environment Health, Planning and Fleet Management in moving forward. The Council will also work with other Local Authorities in sharing experience, knowledge and considering future developments.

RESOLVED that for the reasons contained in the Officer's report, the Draft Electric Vehicle Strategy and Action Plan, be approved.

## **7. VAT EXEMPTION ON THE SUPPLY OF SPORTING SERVICES.**

The report sought Cabinet approval to apply a VAT exemption on the supply of sporting services.

Cabinet were advised that the supply of sporting services by non-profit-making bodies has always been exempt from VAT. However, Local Authorities in the UK have been restricted from this exemption and accordingly sporting services provided by them have been subject to the standard rate of VAT. This arrangement has been subject to a successful legal challenge which means that Local Authorities are now entitled to treat the supply of sporting services as exempt from VAT provided that they do so on a consistent basis.

Caerphilly County Borough Council has submitted a back-dated claim and will receive a one-off sum of circa £1.3m from HMRC, and the report recommended that this be set aside in a Capital Earmarked Reserve for Leisure Services. Furthermore, the ongoing full year additional income through applying the exemption is estimated to be £264k. However, current income levels are falling short of the budgeted level so the first call on the additional annual income will be to ensure that current income targets are achieved. It is, however, estimated that an annual sum of circa £70k will be available to support the Medium-Term Financial Plan from 2019/20 onwards.

It was explained that a small number of Clubs reclaim VAT paid on charges and will not be able to do so when the exemption is applied. Furthermore, some Clubs currently have a VAT exemption through block bookings and these charges will need to increase to ensure consistency for all customers. It was recommended that delegated authority be given to the Interim Director of Communities, in consultation with the relevant Cabinet Member, to deal with any issues arising with these Clubs.

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 subject to an amendment at paragraph 10.1.3. to read *note the one-off receipt of circa £1.3m from the backdated claims and agree that this be set aside in a Capital Earmarked Reserve*, and for the reasons contained in the Officer's report: -

- (i) the outcome of the Court of Justice of the European Union in the case of the London Borough of Ealing (Case C 633/15), be noted;
- (ii) the implementation of the VAT exemption on the supply of sporting services from the 1st October 2018, be agreed;
- (iii) the one-off sum from the backdated claims to be set aside in a Capital Earmarked Reserve, be agreed;
- (iv) any residual additional annual income to be factored into the Council's Medium-Term Financial Plan (MTFP) from 2019/20, be noted;
- (v) that delegated authority be given to the Interim Corporate Director - Communities, in consultation with the relevant Cabinet Member, to deal with any issues arising from Clubs as set out in paragraph 4.2.5, be agreed.

The meeting closed at 11.05am.

Approved and signed as a correct record subject to any corrections made at the meeting held on 3rd October 2018.

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CHAIR