



HOUSING AND REGENERATION SCRUTINY COMMITTEE

**MINUTES OF THE MEETING HELD VIA MICROSOFT TEAMS ON THURSDAY, 17TH
SEPTEMBER 2020 AT 5.30 P.M.**

PRESENT:

Councillor A. Whitcombe - Chair
Councillor Mrs C. Forehead - Vice-Chair

Councillors:

L. Harding, G. Kirby, P. Leonard, D. Price, Mrs M.E. Sargent, W. Williams

Cabinet Members:

S. Morgan (Deputy Leader and Cabinet Member for Economy and Enterprise), Mrs L. Phipps
(Cabinet Member for Housing and Property)

Together with:

Mark S. Williams (Interim Corporate Director – Communities), S. Couzens (Chief Housing Officer), R. Kyte (Head of Regeneration and Planning), P. Smythe (Housing Technical Manager), M. Betts (Tenant and Community Involvement Manager), C. Forbes-Thompson (Scrutiny Manager), M. Jacques (Scrutiny Officer), E. Sullivan (Senior Committee Services Officer), R. Barrett (Committee Services Officer)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors J. Bevan, D. Cushing, C. Elsbury, R.W. Gough, A. Higgs, G. Oliver, B. Owen and B. Zaplatynski.

2. DECLARATIONS OF INTEREST

There were no declarations received at the commencement or during the course of the meeting.

3. MINUTES – 28TH JANUARY 2020

By way of Forms voting (and in noting there were 6 for, 0 against and 0 abstentions) it was **RESOLVED** that the minutes of the Housing and Regeneration Scrutiny

Committee meeting held on 28th January 2020 (minute nos. 1 - 9) be approved as a correct record and signed by the Chair.

4. CALL-IN PROCEDURE

There had been no matters referred to the Scrutiny Committee in accordance with the call-in procedure.

5. HOUSING AND REGENERATION SCRUTINY COMMITTEE FORWARD WORK PROGRAMME

Cath Forbes-Thompson (Scrutiny Manager) presented the report, which outlined details of the Housing and Regeneration Scrutiny Committee Forward Work Programme (FWP) for the period September 2020 to November 2020 and included all reports that were identified at the Scrutiny Leadership meeting on 20th August 2020.

Members noted the reports scheduled for discussion at the next meeting on 13th October 2020 and were advised that in relation to those information items circulated separately to the main agenda, it had been requested that two additional budget reports be listed for 13th October 2020 (Revenue Budget 2020-21 for Communities Directorate, and Revenue Grants Report for 2020-21).

The Committee were also advised that arrangements were being made to hold a special joint meeting of the Housing and Regeneration Scrutiny Committee and Environment and Sustainability Scrutiny Committee in December 2020 to consider the outcome of the review held by the Task and Finish Group on Car Parking. Members will be advised in due course of the date for this meeting.

Members noted the update from the Scrutiny Manager, and by way of Forms voting (and in noting there were 8 for with 0 against and 0 abstentions) unanimously agreed that subject to the inclusion of the above information items, the Forward Work Programme as appended to the meeting papers be published on the Council's website.

6. CABINET REPORTS

None of the Cabinet reports listed on the agenda had been called forward for discussion at the meeting.

REPORTS OF OFFICERS

Consideration was given to the following reports.

7. REGENERATION & PLANNING SERVICE #RESILIENT COMMUNITIES, SUSTAINABLE PLACES - AN OVERVIEW (PRESENTATION)

Rhian Kyte (Head of Regeneration and Planning) delivered a presentation to the Scrutiny Committee, which gave an overview of the areas under the remit of the Regeneration and Planning Service, details of current and future projects being progressed, emerging issues and challenges being faced by each area and the community and economic response to the Covid-19 crisis. It was noted that the presentation had been prepared in response to a request from the Scrutiny Committee for further information on the Regeneration aspects of

the Service.

Mrs Kyte explained that the Regeneration and Planning Service comprises three areas: the Planning Service, the Regeneration Service, and the Support Services Team (which provides administrative support to both service areas). The Regeneration and Planning Service currently employs in the region of 101 FTE personnel with annual budgets of £2,246,374 revenue and £187k capital together with additional multi-million external grant funding projects.

The presentation highlighted the work of the teams under the Regeneration Service, including team structure, their main responsibilities, and detailed information on the extensive range of services delivered by each team. These comprise the Business Enterprise & Renewal Team (BERT), the Community Regeneration Team and the Visitor Economy Team. Mrs Kyte also gave an overview of the Planning Service, which is fundamentally important in terms of facilitating the regeneration process and the delivery of a sustainable recovery as the country emerges from the COVID-19 crisis and faces the challenges and opportunities presented by Brexit.

The Scrutiny Committee were provided with an overview of the major Regeneration projects being administered through the Valleys Task Force. National and regionally significant projects of note include work with Cadw to raise Caerphilly Castle to a Tier 1 attraction and facilitate investment opportunities (£5.13m) to make it a world class heritage attraction, work with National Resources Wales to re-open Cwmcaern Forest Drive and enhance visitor experience with new attractions (£2.8m), and the development of a new Visitor Centre at Penallta Country Park (£1m). Work of national and regional significance is also being carried out across Caerphilly and Ystrad Mynach by way of the respective Masterplans and the Caerphilly Place Making Plan, as well as the A465 Corridor through the work of the Draft Heads of the Valleys Regeneration Area Masterplan.

Mrs Kyte highlighted projects of regional significance being carried out in Caerphilly town centre including the redevelopment of Pentrebanne Street and plans for a new hotel development at Park Lane. As a result of developments in relation to Covid-19, the funding available for these schemes has now been extended to regeneration improvements across Blackwood, Risca, Bargoed, and Ystrad Mynach and further investment across the county borough. A Civic Crowdfunding proposal under the Valleys Task Force initiative has been approved by Cabinet which will raise money for local important initiatives. The Council has also been successful in gaining Foundational Economy Challenge Funding for three schemes, two of which have been impacted by Covid-19 but which it is hoped can be taken forward in the future.

Members were advised of the Cardiff Capital Region Investment Priorities, which include Infrastructure priorities focusing on targeted co-investment and pooling of resources to deliver maximum impact through the delivery of new physical and digital infrastructure projects, Innovation Priorities to look at proposals demonstrating unique intellectual property, market leadership and competitive strength, and Challenge priorities to stimulate the adoption of new products and solutions in South East Wales.

Mrs Kyte provided a detailed overview of the major Regeneration projects being undertaken around these Investment Priorities at national, regional and local level. Projects relating to the Infrastructure Priority include the unlocking of marginally viable brownfield sites for housing through the Housing Investment Fund and development of the Caerphilly Transport Hub as part of the Metro Plus system, the development and expansion of park and ride facilities, station upgrades across the county borough, and improvements to coach parking infrastructure. Members were also given an overview of projects around key Economic Priorities including the Gateway to Employment scheme delivering training, skills and

apprenticeship opportunities, the development of new industrial units at Ty Du Nelson and The Lawns Rhymney, and enhancement works to the industrial and tourism portfolio as a result of Brexit funding. In addition, Mrs Kyte also highlighted projects to be taken forward under the Caerphilly Place Making Plan, including a new transport hub, new leisure quarter, expanded retail quarter, expansion of Caerphilly Business quarter, a Strategic Site Mixed Use Scheme at Ness Tar and work around a connections corridor/integrated hub at Lansbury Park.

Members were provided with a summary of the key projects being undertaken by Community Regeneration, including the implementation of an all-age apprenticeship programme that meets the future skills requirement of the public sector and industry, development of the Coalition Board – Lansbury Park Service Mapping to inform future service delivery on the estate, development of an integrated community hub at Lansbury Park and Rhymney with ABHB and other partner organisations, development of the Communities for Work and Communities Work Plus programme to meet the targets of sustainable employment, and the continuing aim to reduce the impact of poverty by supporting people into better employment prospects thereby improving health and well-being.

Across Visitor Economy, a Transformation Project will be taken forward for tourism attractions to establish and maintain a set of priorities to make these venues more viable and sustainable in the long-term.

The emerging issues and challenges across the Regeneration Service were highlighted to the Scrutiny Committee. The Business Enterprise and Renewal Team have a very small team delivering a wide agenda with low capacity, and as a result are reliant on other service areas to deliver funding projects. There are issues around maintaining upkeep of past schemes and resolving revenue on more recent projects. There is a need to develop a targeted maintenance programme for industrial/office and retail portfolio with less funding, as well as preparation by the Team to maximise the opportunities that City Deal funding and other post Brexit funding opportunities will bring.

Issues and challenges faced by the Community Regeneration Team include a lack of security and sustainability in grant funded programmes, particularly EU-funded programmes as a consequence of Brexit. The Team continue to capitalise on the work of CCR & the RSP and continue to develop and enhance the engagement and support provisions currently provided by the Legacy programme, with a particular focus on Community Hubs. The Team are looking to establish stronger interdepartmental links with the BERT team and Procurement while also raising the awareness of the role of the Community Regeneration team across the regeneration agenda.

Across Visitor Economy, the Team have identified a need to improve market research and market attractions more widely, as well as diversifying the service offer and its delivery to maximise income opportunities and increase its position in the workforce. The Team are also looking to facilitate joint working, cross-marketing and economies of scale across its tourism venues to unify its portfolio and give a greater appeal.

Mrs Kyte referred to the Covid-19 crisis and the enormity of the community and economic work undertaken by Regeneration staff during this time. As tourism venues have been closed during the outbreak, many of the Regeneration team have been redeployed as part of the Council's community response to assist with the Buddy Scheme, Foodbank deliveries and Track and Trace. Members were advised of the numerous referrals made to Supporting People, Housing and SOLAS and the thousands of adults and children supported during the crisis. The Regeneration Team facilitated an impressive economic response to the crisis, which involved the establishment of an Emergency Business Support Team by the BERT Team and Finance colleagues. This distributed £34m in NNDR grants, supported an average

of 30 business enquiries a day, distributed 66 applications for the Caerphilly Enterprise Fund, has offered over £188,727.97 Capital and £67,132.60 Revenue grants to date from the Caerphilly Enterprise Fund and handled over 60 applications for the local Retail Safety Grant. Furthermore, 119 applications were received for the Business Start Grant with £210,000 allocated to CCBC to distribute, 43 business rent deferral requests were approved for CCBC's property holdings, approximately 8,000 contacts per week were made through Covid Business Newsletter, support was given for the private sector-led Caerphilly Business Club launch, a Redundancy Response Team was established, supplier relief was offered, and an Economic Recovery Framework was prepared.

In closing, Mrs Kyte outlined details of Regeneration Service's Roadmap to Tourism Recovery 2020. There are 3 phases to the Strategy to be delivered over 2 years, namely **Restart** (the reintroduce services, maximise visitors within current and emerging guidelines and minimise disruption - 0-3 months), **Reset** (drive demand, increase the level of activities being undertaken, strengthen the supply chain across the portfolio - 3-12 months) and **Reinvent**: transform the service to deliver better value, collaboration and partnership (12-24 months).

The Deputy Leader and Cabinet Member for Economy and Enterprise commended the astonishing work undertaken by the Regeneration Service and the dedication shown by its staff in carrying out work across the community for the benefit of the county borough. He acknowledged the limitations and uncertainty faced by the Community Regeneration team as a result of year-on-year funding, referred to the benefits of Caerphilly being recognised as a key hub by Welsh Government, and asked Members to recognise the importance of investment in the county borough at every opportunity. He also highlighted the level of work administered by the Regeneration Service on a relatively small budget and congratulated the team on their efforts.

The Chair and Members echoed the sentiments of the Cabinet Member and congratulated Mrs Kyte and her staff for their efforts and the work carried out during the Covid-19 crisis.

During the course of the ensuing debate, a Member referred to the maintenance of previous projects and highlighted landscaping schemes in his local area that had fallen into disrepair. Mrs Kyte highlighted the difficulty in securing revenue costs for the upkeep of these schemes and explained that where possible, existing budgets are explored and utilised for the purpose of maintenance. However, it has been recognised that there is a need to ensure that maintenance budgets can meet the ongoing costs of any schemes being designed and implemented, as historically this was not always a consideration. It was also explained that some projects were implemented by external organisations who have not always upheld the maintenance of these schemes, and that the Council is acutely aware that future maintenance should be a key consideration of any schemes being designed to ensure they are affordable in the longer term. It was also explained that work is carried out with volunteer groups to assist with long-term maintenance work but this can be very resource-intensive and is not always feasible as staffing resources diminish.

In response to a Member's query, clarification was provided on the work being carried out by National Resources Wales on the Council's behalf to reopen Cwmcarn Forest Drive. Further information was also given on the Caerphilly Placemaking Plan, with it explained that this is the implementation plan for the Caerphilly Masterplan approved in 2018. The Plan is currently being developed and will be shared with Members in due course. Clarification was also sought on Brexit funding mentioned in the presentation and it was explained that this is additional funding allocated from Welsh Government to invest in projects that could kickstart the local economy. The Council has invested this funding in a number of schemes, including construction projects employing local people, industrial estate schemes, and work at Cwmcarn Forest Drive and Blackwood Miners Institute, together with a number of other minor

schemes. Mrs Kyte offered to share a complete list of these projects with Members following the meeting.

Following discussion, the Scrutiny Committee thanked Mrs Kyte for the very informative presentation and noted its contents.

8. WHQS & POST-2020 ASSET MANAGEMENT PROGRAMME UPDATE

The Cabinet Member for Homes and Places presented the report, which provided Members with a progress update on performance of the Welsh Housing Quality Standard (WHQS) Team to date and the impact of the Covid-19 pandemic on the completion of the WHQS programme by the Council's internal deadline of June 2020.

The report provided information on the performance of the internal and external main WHQS Programme prior to the Government lockdown on 23rd March 2020, which demonstrated that full compliance was achievable prior to the statutory deadline of December 2020.

It was noted that Caerphilly CBC are one of the four remaining Local Authorities that were due to complete by December 2020, although the Authority were in a more advanced position to complete the programme early compared to other Local Authorities. Although the report stated that Welsh Government had not issued a revised completion date, the Cabinet Member explained that confirmation had since been received from the WG Minister for Housing and Local Government that the WHQS deadline will be extended by 12 months to December 2021. Officers are satisfied that the programme can be delivered in advance of this revised deadline.

Details of the current performance and financial outturn to date were also included in the report, and the many achievements that have been made as part of the wider commitments and benefits delivered by the WHQS programme have been reported in previous update Reports. The report also provided an overview of the Post 2020 Asset Management Strategy (PAMS) proposals and impacts from the Covid-19 pandemic, which was due to commence following the successful completion of the WHQS programme.

The Scrutiny Committee discussed the report and a query was received on the Council's communication with tenants in regards to delayed works and the reassurances being given. Officers explained that there are a number of elements of work requiring completion, with 323 properties remaining in its final stage of work left to complete which is predominantly in-house contractor work. The WHQS are now contacting every tenant with outstanding works by way of questionnaire and home visit.

It was explained that although the majority of tenants are keen to have the work completed, this is proving to be a balancing act in terms of protecting those tenants who may be elderly or vulnerable, have recently been shielding or are generally apprehensive in regards to the pandemic. Tenant Liaison Officers are on hand to reassure and assist tenants as needed in this regard. It was also explained that the work method has now completely changed, as only one element of work can now be carried out at any one time in view of social distancing measures and other safety precautions in place to protect both tenants and employees during this time. Subsequently the work is taking three times as long to complete compared to pre-Covid practices but it was emphasised to the Committee that safety is paramount when completing these works.

Following discussion on the item, the Scrutiny Committee noted the contents of the report.

9. LEASEHOLDER CHARGES

The Cabinet Member for Homes and Places presented the report, which set 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. The report also proposed to introduce charging for specific services that are recoverable under the terms set out in the various leases that are in place. The Scrutiny Committee were asked to consider the recommendations in the report ahead of its presentation to Cabinet on 30th September 2020.

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.

It was explained that Officers recognise the financial impact the proposals contained within this report will have on leaseholders and have therefore included the mechanisms in place to assist leaseholders in meeting the various costs incurred and proposals for introducing a leasehold property buy back policy.

Members were asked to note an amendment in the report at paragraph 5.6, in that the first increased payment would not be requested until September 2022 (and not September 2021).

The Scrutiny Committee discussed the report and in response to a Member's query on obtaining copies of leasehold agreements, it was explained that that copies could be provided upon request to Caerphilly Homes. Members were also assured that the lease clearly sets out details of leaseholder responsibilities for contributing towards costs.

Clarification was sought on the statutory process for informing leaseholders of planned works. Members were 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. The Scrutiny Committee were also advised of the dispute process whereby leaseholders can query the costs involved in works, 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

Following discussion of the report, it was moved and seconded that the following recommendations be forwarded to Cabinet for approval. By way of Forms voting (and in noting there were 8 for, 0 against and 0 abstentions) this was unanimously agreed.

RECOMMENDED 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) a Caerphilly Homes leasehold property 'buy back' policy be established and implemented in consultation with the Cabinet Member for Housing and Property.

The meeting closed at 6.33 p.m.

Approved as a correct record and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 13th October 2020, they were signed by the Chair.

CHAIR