



## **POLICY AND RESOURCES SCRUTINY COMMITTEE**

### **MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH ON TUESDAY, 30TH SEPTEMBER 2014 AT 5.30 P.M.**

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PRESENT:

Councillor H.W. David - Chair  
Councillor S. Morgan - Vice Chair

Councillors:

L. Binding, C.J. Cuss, Miss E. Forehead, D.M. Gray, C. Hawker, Ms J.G. Jones, G. Kirby, A. Lewis, C.P. Mann, D. Rees, R. Saralis, Mrs J. Summers, J. Taylor

Cabinet Members:

D.T. Hardacre (Performance and Asset Management), Mrs B. Jones (Corporate Services), G. Jones (Housing)

Together with:

N. Scammell (Acting Director of Corporate Services and Section 151 Officer), C. Jones (Head of Performance and Property), S. Couzens (Chief Housing Officer), L. Jones (Acting Head of IT and Customer Services), R. Beasley (Project Manager Welfare Reform Programme), S. Cousins (Principal Housing Officer), J. Dix (Policy and Research Manager), S. Isaacs (Caerphilly Homes Rents Manager), A. Veronese (Programme Manager and E-Government Team Leader), K. Williams (Private Sector Housing Manager) C. Forbes-Thompson (Scrutiny Research Officer) and R. Barrett (Committee Services Officer)

Also present:

J. Channing (Citizens' Advice Bureau) and C. Pritchard (JobCentre Plus)

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

Apologies for absence were received from Councillor J.E. Fussell and Cabinet Member Mrs C. Forehead.

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

With regards to Agenda Item 14 (Welfare Reform – Update on the Activities to Support Residents) and subject to the content of the debate, it was noted that Councillor C.P. Mann may be required to declare an interest and leave the meeting.

During the course of the meeting, a declaration of interest was received from Councillor S. Morgan and is detailed with the respective item.

**3. MINUTES – 29TH JULY 2014**

RESOLVED that the minutes of the special Policy and Resources Scrutiny Committee meeting held on 29th July 2014 (minute nos. 1 – 4) be approved as a correct record and signed by the Chair.

**4. MINUTES – 5TH AUGUST 2014**

RESOLVED that the minutes of the Policy and Resources Scrutiny Committee meeting held on 5th August 2014 (minute nos. 1 – 10) be approved as a correct record and signed by the Chair.

**5. CONSIDERATION OF ANY MATTER REFERRED TO THIS SCRUTINY COMMITTEE IN ACCORDANCE WITH THE CALL-IN PROCEDURE**

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

**6. CABINET REPORTS**

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

**7. REPORT OF THE CABINET MEMBERS**

Councillor Mrs B. Jones, Cabinet Member for Corporate Services, provided an update in relation to the budget settlement for 2015/16, which was due to be announced on 8th October 2014. Members were advised of the detailed preparations that have taken place in anticipation of this settlement, and it was explained that cuts of up to 4.5% in funding are expected, which has the potential to increase the savings requirement across to the Authority to 15.1m for 2015/16 and 15.0m for 2016/17. It was explained that the anticipated total cut in WG funding is £154m, equating to approximately 3.3% per each Local Authority in Wales.

Members were reminded that a number of special Scrutiny Committees had recently taken place to consider savings and efficiencies proposals in a number of areas across the Authority. Whilst these meetings had been successful in determining a number of savings across areas for further consideration and examination, it was explained that these were insufficient in meeting the savings requirements outlined in the Medium Term Financial Plan (MTFP). In response to this, the Chair advised the Cabinet Member that the Policy and Resources Scrutiny Committee had been responsible for endorsing the largest amount of savings from the proposals presented to the four Scrutiny Committees.

Members were also advised that the new and improved Caerphilly County Borough Council website is due to be launched shortly, which will host a number of new features, such as mapping technology, and incorporate a user-friendly approach to the website.

G. Jones, Cabinet Member for Housing, added that there were currently several ongoing developments in relation to the Welsh Housing Quality Standard and that further information would be presented to Members at the next meeting of the Policy and Resources Scrutiny Committee.

## REPORTS OF OFFICERS

Consideration was given to the following reports.

### 8. WELFARE REFORM – UPDATE ON THE ACTIVITIES TO SUPPORT RESIDENTS

Councillor C.P. Mann asked for it to be noted that subject to the content of the debate, it may be necessary for him to declare an interest and leave the meeting, in that he is a member of the Trustee Board of Caerphilly Citizens Advice Bureau. This was subsequently not required.

The Chair welcomed Alessandra Veronese (Programme Manager and E-Government Team Leader) Richard Beasley (Project Manager Welfare Reform Programme) and Sandra Isaacs (Caerphilly Homes Rents Manager) to the meeting, together with Jan Channing (Citizens Advice Bureau) and Ceri Pritchard (JobCentre Plus).

The report updated Members on the progress of activities that the Authority has put in place to support residents in adjusting to the changes introduced by Welfare Reform. In summarising the report, Officers drew Members' attention to the partnership working underpinning the advice and support provided to residents and to the considerable level of debt identified during the support activities.

With the aid of a slide presentation, Officers informed Members of the impact of Welfare Reform on local residents, and the partnership working between the Authority, JobCentre Plus (JCP) and Citizens Advice Bureau (CAB), together with other agencies. It was explained that ongoing changes as a consequence of Welfare Reform had necessitated further training of Council staff to enable their continued support to residents. This training encompassed a wide range of areas, including awareness of loan sharks and availability of crisis loans, homelessness intervention methods and support regarding private tenancies.

Officers outlined in detail the support mechanisms provided to local residents affected by the Welfare Reform changes. There are eleven members of staff within the Council Housing Rents Team who are fully trained in the changes and available to provide telephone support to residents. A team of four Tenancy Support Officers (TSOs), a role created in October 2012 following the introduction of Welfare Reform, visit Council Housing tenants in their homes and carry out needs assessments and offer a wide range of support mechanisms to those affected by the under-occupancy charge. The team work in partnership with CAB and JCP and make referrals to partnership agencies where appropriate.

The initial results of this support and assistance offered to residents to date were outlined, with face-to-face support provided to 3026 residents since October 2012 and promotion of Welsh Water Assist, leading to a total of £350,000 reduction in water costs for tenants and 594 applications for water meters, resulting in a £100 saving per annum. 493 tenants received expert energy saving advice with 407 tenants qualifying for a Warm Home discount. 124 tenants were supported for access to food banks, 302 tenants were referred for employment support via JCP or Bridges Into Work, and 381 tenants were referred to the CAB for casework debt support. A summary of feedback received from local residents was displayed to Members, which expressed gratitude for the advice given and indicated a significant improvement in the personal circumstances of many local residents.

Officers detailed further information relating to the partnership working process, including joint working between CAB, JCP, the Authority, the voluntary sector and other stakeholders. It was explained that the aim of the partnership was to deliver a 'joined up' approach to employment and skills services, increasing working with others to deliver a unified service rather than creating duplication, and ensuring that awareness of the support available was understood by all disadvantaged residents.

Jan Channing of Caerphilly Citizens Advice Bureau then detailed examples of how the agency worked together with the Authority to deliver this partnership. It was explained that the CAB

currently utilise two models of working: home visits and appointments in conjunction with Supporting People and Families First, and appointments at local venues in relation to rents. A number of positive outcomes have been identified, including formal debt remedies, the identification of a number of loan sharks in the borough, and the establishment of a response service within the partnership, to enable TSOs to contact CAB for immediate advice when a resident is experiencing a crisis (such as bailiff intervention). The partnership has also facilitated improved contact with other departments such as Council Tax, which leads to faster resolutions when appropriate. A number of comments from local residents were displayed to Members which demonstrated the positive impact of the CAB in assisting in the reduction of personal debts.

Members thanked the Officers and partnership representatives for an excellent and detailed presentation, and wished to place on record their appreciation of the work of Officers in supporting residents as a result of Welfare Reform changes.

Detailed discussion of the report and presentation ensued, and Members raised a number of queries in relation to partnership working. It was clarified that although several independent agencies are involved with the support process, they work in partnership to avoid duplication, utilising a support service framework and methods such as data-sharing agreements. It was explained that this data sharing often identifies instances where engagement with tenants is lacking, which then results in TSOs undertaking home visits to see if assistance and support can be offered. Officers also explained the referral processes involved to minimise duplication and to ensure that residents affected are not identified multiple times across several different agencies.

It was confirmed that the Authority meet monthly with the CAB and JCP in relation to the Welfare Reform changes but there are also occasions where they meet on an ad-hoc basis owing to other projects. Situations frequently arise where the CAB liaise with JCP as a result of sanctions imposed on tenants in relation to Job Seekers Allowance and establish a way forward to see if these sanctions can be removed.

Members made reference to section 4.9.3 of the report, which detailed the number of debt referrals between October 2013 and August 2014. The attendance rate of appointments at 59% was queried, with concerns raised about residents continuing to remain unsupported. It was explained that debt was a difficult subject matter but that Officers made every effort to encourage people to attend appointments, and also that this take-up remained higher than the 20%-30% attendance rate experienced in a number of other local authorities.

Members enquired if difficulties or barriers were experienced by the partnership and Officers outlined some of the short-term funding arrangements underpinning some of the activities.

It was explained that the agencies were identifying significant problems relating to money borrowing and residents turning to providers such as loan sharks and payday loans in order to meet unexpected household emergencies (such as cooker breakdowns). The Authority and partnership agencies utilise a number of approaches to tackle this problem, including working with grant providers in order to offer alternative lending methods to residents.

In response to a Member's question, it was confirmed that there had been a large increase in affected residents and the workload of the CAB since the introduction of Welfare Reform, and that the CAB had not received additional resources in order to deal with this increase. Members also queried the number of successful benefit appeals and Ceri Pritchard of JobCentre Plus arranged to provide this information to Members

Reference was made to the use of food banks and Officers confirmed that there had been a number of difficult cases encountered by TSOs, and that the Authority had an excellent relationship with food banks and their volunteers. A query was raised in relation to the promotion of alternative lending methods such as credit unions and it was confirmed that the CAB were continuing to educate residents in order to establish the most appropriate lending

solution for individual circumstances.

A query was raised in regards to the Authority's Council Housing Eviction Panel, which was established in June 2014, with four meetings held to date. It was explained that evictions had taken place as a result of non-payment of rent, with it stressed to Members that none of these evictions had been as a result of the non-payment of bedroom tax. It was also explained to the Committee that the term 'under-occupancy' consistently used throughout the report was an alternative name for 'bedroom tax'.

In regards to the identification and tackling of poverty and vulnerability, Officers confirmed that they work with agencies such as the Council's Communities First programme and Careers Wales to identify specific areas for improvement. Further discussion also took place in relation to loan sharks, with Ms Channing explaining the tactics of these unlicensed lenders and the culture of fear that they impose on their local communities. It was explained that further Officer training would be arranged in relation to the Illegal Money Lending Unit, and Members welcomed the invitation to attend such training, with arrangements to be made by the relevant Officers.

Members noted the contents of the report, and in thanking the representatives from JCP and CAB for their attendance, invited them to return to a future meeting of the Policy and Resources Scrutiny Committee to provide an update on progress.

## **9. HOUSING SOLUTIONS: SOCIAL LETTINGS AGENCY**

During the course of the debate on this item and prior to Members voting on the recommendations, Councillor S. Morgan declared a personal and prejudicial interest in that he is a property landlord. He remained in the room but did not participate in the vote.

Kenyon Williams, Private Sector Housing Manager and Suzanne Cousins, Principal Housing Officer, presented the report, which advised of the implications associated with the changes to homelessness prevention duties and sought Members' support in respect of the creation of a Social Lettings Agency, prior to its consideration by Cabinet.

The key issues within the report were highlighted, which considered the Housing (Wales) Bill and its implications for the Authority in respect of its responsibilities for homelessness prevention, registration and licensing of private sector landlords and the options available for some of the Authority's public and private sector empty properties.

In relation to the activities already in place to address the forthcoming legislation, the report put into context the pressures on the Authority to provide a safe, affordable home and proposed the widening of housing options to include a Social Lettings Agency. Access to affordable housing has become hampered by the reduction in housing supply and the implementation of the Welfare Reform Act for many of the residents in Caerphilly where home ownership is not an affordable option. The report also considered the impact of welfare reform and the limitations it presents for access to the private rented sector.

Members were advised that in addressing the problem of an undersupply of affordable housing within the private rented sector, there were potentially three options to consider: making incentive payments to letting agents and private landlords, utilising the services of an external lettings agency, or creating an in-house Social Lettings Agency. The report examined each of these options in detail and recommended that Members support Option 3 (the development and implementation of an In-House Social Lettings Agency).

Discussion of the report ensued and Members referenced made reference to Option 3, as detailed in section 4.6.4 of the report. A query was received as to the expected number of landlords and properties expected to participate in the scheme, with Officers confirming that this would not become clear until the registration process commenced.

In relation to the good quality accommodation requirement for a successful Social Lettings Agency, Members asked how these standards would be enforced. Officers confirmed that all accommodation would be inspected prior to a letting arrangement being agreed, with those properties deemed unsuitable being unable to sign up to the scheme. It was suggested that a progress report in regards to the proposed Social Lettings Agency be produced after 12 months and it was noted that this action was contained within the report recommendations.

Reference was made to the requirement for a Social Lettings Agency Manager post and Members queried whether the post could be filled internally. Officers confirmed this would be dependent on whether existing Officers had the level of experience to meet the requirements of the post. Discussion also took place in relation to homelessness and the private rented sector, with Members commenting on the series of measures supported by Shelter Cymru outlined in 4.2.3 of the report.

Following discussion of the report, it was moved and seconded that the following recommendations be referred to Cabinet for consideration. By a show of hands, this was agreed by the majority present. Having declared an interest in this item, Councillor S. Morgan abstained from voting on these recommendations.

RECOMMENDED to Cabinet that:-

- (i) The development of an In-House Social Lettings Agency as outlined in paragraph 4.3.4 of the report be implemented;
- (ii) A further report outlining progress to date and the performance of the Social Lettings Agency be submitted to the Policy and Resources Scrutiny Committee within 12-18 months of its commencement.

## **10. CAERPHILLY COUNTY BOROUGH COUNCIL PARTNERSHIPS AND COLLABORATIONS**

Jackie Dix, Policy and Research Manager, presented the report, which outlined the work undertaken around the Council's partnerships and collaborative work, and sought Members' endorsement of the proposed Collaboration and Partnership Protocol and Partnership Governance Toolkit, prior to its referral to Cabinet for determination.

Members were informed that following recommendations made by the Wales Audit Office on the partnership and collaborative work of the Council, an exercise commenced in October 2013, with 146 significant partner organisations identified, including 35 formal partnerships, 25 collaborations, and the Council taking the lead in 8 of the collaborative arrangements.

The proposed Collaboration and Partnership Protocol sets a partnerships and collaborations framework to ensure there is a clear structure for partnership work, and provides a twelve-month action plan for embedding a robust structure for partnership working. The intention of the proposed Partnership Governance Toolkit is to provide partnership leads with guidance on ensuring effective and purposeful partnership, achieving intended outcomes, with robust scrutiny and governance arrangements in place, which is also called for in the Wales Local Government White Paper on Reforming Local Government.

The report explained that the Collaboration and Partnership Protocol and action plan for delivery, together with the accompanying Partnership Governance Toolkit, were issued for a four-week consultation period. Six responses were received, which were generally supportive of the proposed documents, and suggested some minor amendments. These would be incorporated into the finalised Protocol and Governance Toolkit, together with any subsequent comments received following presentation of the report to the Policy and Resources Scrutiny Committee and Cabinet.

Discussion of the report ensued and Members welcomed news of the Collaboration and Partnership Protocol. A query was raised regarding scrutiny of these partnerships with it confirmed that any issues would be reported back to the Improving Governance Programme Board. It was also confirmed that the Audit Committee would have continued involvement in regards to reviewing the Protocol, with their views incorporated into the action plan for delivery that was appended to the report.

Members unanimously endorsed the Collaboration and Partnership Protocol and action plan for delivery, together with the Partnership Governance Toolkit (subject to minor consultative changes). It was moved and seconded that the following recommendation be referred to Cabinet for consideration. By a show of hands, this was unanimously agreed.

RECOMMENDED to Cabinet that the Collaboration and Partnership Protocol and action plan for delivery, together with the Partnership Governance Toolkit (subject to minor consultative changes) be endorsed.

## **11. REVIEW OF ASSET MANAGEMENT (LAND AND PROPERTY) STRATEGY – PROGRESS UPDATE**

Colin Jones, Head of Performance and Property, presented the report, which informed Members of progress against recommendations for improvement flowing from a review of the Council's Asset Management (Land and Property) Strategy: September 2013 by the Auditor General for Wales. This review was presented to Audit Committee on 6th November 2013.

It was explained that the Auditor General concluded the review by making five proposals for improvement:-

- (1) Develop a robust Asset Management Strategy for its property and associated infrastructure. The strategy should set out a vision for each type of asset that shows how it contributes to the delivery of the Council's priorities, set targets for assessing progress (including the condition and suitability of each asset), describe an overall plan for implementing the strategy, and be approved by Members;
- (2) Ensure that the individual service asset management plans are developed as soon as possible and are used to inform the Council's financial planning process;
- (3) Finalise its current review of property performance data and agree which data should be monitored and reported at Officer and Member level;
- (4) Develop and implement arrangements to monitor the delivery of the strategy;
- (5) Formalise the role of the Asset Management Group to improve governance and accountability, which should include reviewing the membership of the Group, developing terms of reference to include responsibility for leading on all corporate asset management issues and decisions around individual assets, and ensuring that meetings are recorded appropriately.

Delivery dates for each of the proposals, ranging from October 2013 to March 2014, were agreed with the Audit Committee, and the state of completeness of each of the proposals was outlined to Members. To date, Proposals 1 and 2 are partially completed, Proposal 3 and 5 have been completed, and Proposal 4 remained incomplete and cannot be progressed until Proposals 1 and 2 are fully developed. These proposals were making good progress but have now been delayed until the Council's financial position becomes clearer, with a revised MTFP to be agreed and a revised Asset Management Strategy to subsequently be developed.

Members discussed the timeframe in relation to an estimated completion date for the Strategy. The Head of Performance and Property explained that this would be dependent on

the forthcoming budget settlement for 2015/16 but that it was likely to be between 12 and 18 months in the future.

Following consideration of the report, the Committee noted the progress made to date against the Asset Management (Land and Property) Strategy and the reasons for the delay of progress as detailed within the report.

## **12. HANDLING OF DAMP AND CONDENSATION COMPLAINTS**

Shaun Couzens, Chief Housing Officer, presented the report to Members, which had been produced in response to a Member's request at the Policy and Resources Scrutiny Committee meeting of 3rd June 2014. It provided information on the handling of housing-related damp complaints, including those raised by tenants and Councillors. It also provided information of the number and types of reports in the Council's housing stock and how these are dealt with operationally.

It was explained that although a stock condition survey was commissioned by the Council from external consultants Savills, the 2008 report was based on a 15% survey of the housing stock. The main purpose of the survey was to identify the improvements required to achieve the delivery of the WHQS programme, which included the replacement of key components, and did not identify specific damp-related problems.

Since 2008, the Council's housing surveyors have visited 3,568 individual properties and carried out 6,759 inspections in relation to damp complaints. For 1,971 (55%) of these properties, only one visit has been required. Of the remaining properties, Table 1 of the report showed the number of visits made to these properties. Table 2 provided a breakdown of the 6,759 inspections, broken down into types of damp calls. The report explained that in the majority of cases, staff were able to resolve issues by the second visit. A breakdown of damp complaints based on ward was provided within table 3 of the report, and Appendix 1 of the report provided a further breakdown of data based on street and area level. This assists in further analysing the information to determine if there are particular problems being highlighted within certain streets or estates.

Also appended to the report at Appendix 2 was an advice leaflet which had been circulated to affected residents, entitled "Keeping Your Home Free from Damp and Condensation".

The report provided an analysis of the data generated and outlined a number of key considerations in relation to damp and condensation levels. It also explained the reporting process, equipment used to monitor damp, outlined government initiatives in relation to cavity wall insulation and energy efficiency, and provided a summary of WHQS and other Council improvement programmes to address damp issues.

Detailed discussion of the report ensued and Members made reference to the data analysis within Appendix 1 of the report, noting in particular a high correlation of damp complaints within the areas of Gelligaer and Gilfach. Officers explained that many of the affected properties within Gelligaer were of a non-traditional construction and were subsequently prone to dampness, with grant funding obtained by the Council to rectify this problem within blocks of flats. With regards to Gilfach, it was explained that many of these properties had taken on board government funding initiatives such as cavity wall insulation, which had in a minority of cases been detrimental to the property and increased damp/condensation levels. Of over 6,000 properties with cavity wall insulation in the borough, some 480 had been subject to extraction and where deemed suitable, re-insulated with alternative materials.

Reference was made to the recommended method of ventilating properties (such as opening windows) in order to reduce damp levels, in particular the quoted costs of under £6 per annum to run the Nuair Cyfan installed in Council properties as part of the WHQS programme. Members commented that this quote did not take into account the cost of heating houses due



to warm air leaving the property. It was acknowledged that cost was a major concern of tenants, with Officers working to improve communication and education in relation to preventing damp and condensation within the home. Officers detailed the investigatory process relating to damp complaints and explained that advice relating to damp prevention would be provided to tenants (including the leaflet appended to the report), which was not always followed, but acknowledged that this was a problem at a national level.

A query was raised in regards to warm air leaving ventilated properties and whether heat recovery units would be a viable option, with Officers confirming that these were costly to purchase and operate and needed to run continuously. It was also added that with rising fuel costs, a number of tenants were resorting to cheaper heating methods such as the use of calor gas and paraffin heaters, which were responsible for an increase in condensation levels.

Members queried whether the quality of remedial work carried out by contractors was being checked by the Council, and it was confirmed that this was standard procedure within the Authority.

Reference was made to remedial work carried out in parts of Gelligaer, Gilfach and Panside, which have recently benefitted from an external wall insulation and render systems which will alleviate the majority of problems in those properties previously affected by damp. It was confirmed by Officers that these properties would be reviewed to determine that the damp problems had been rectified.

Members noted the content of the report and requested that an update on the situation relating to damp and condensation complaints be presented to the Policy and Resources Scrutiny Committee in Spring 2015.

### **13. REQUESTS FOR REPORTS TO BE INCLUDED ON THE NEXT AVAILABLE AGENDA**

Councillor L. Binding requested a report detailing information on derelict properties on a ward-by-ward basis. Officers arranged to determine the data available in relation to this and whether it would fall under the remit of the Policy and Resources Scrutiny Committee or the Regeneration and Environment Scrutiny Committee.

### **14. INFORMATION ITEMS**

The Committee noted the following items for information, full details of which were included within the Officers reports. There were no items brought forward for review.

- (1) Discretionary Rate Relief Applications;
- (2) WAO Customer Services Review;
- (3) Corporate Services and Miscellaneous Finance 2014/15 - Budget Monitoring Report (Period 4);
- (4) Caerphilly Homes Task Group Minutes - 3rd July 2014;
- (5) Caerphilly Local Service Board Minutes - 7th May 2014;
- (6) Corporate Health and Safety Minutes - 16th June 2014;
- (7) Summary of Members' Attendance - Quarter 1 - 8th May 2014 to 30th June 2014.

In response to a Member's query, it was noted that it had been anticipated that the WAO Customer Services Review would be brought forward for discussion but that subsequently no request to bring this item forward had been received. The Chair encouraged Members to carefully examine all information items on future agendas and to make such requests in advance of the meeting.

The meeting closed at 7.45 pm

Approved as a correct record and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 11th November 2014, they were signed by the Chair.

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CHAIR