

# Pecyn Dogfennau Cyhoeddus

Penallta House,  
Tredomen Park,  
Ystrad Mynach,  
Hengoed CF82 7PG

Ty Penallta,  
Parc Tredomen,  
Ystrad Mynach,  
Hengoed CF82 7PG



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Am unrhyw ymholiad yn ymwneud â'r agenda hwn cysylltwch â Charlotte Evans  
(Rhif Ffôn: 01443 864210 E-bost: [evansca1@caerphilly.gov.uk](mailto:evansca1@caerphilly.gov.uk))

**Dyddiad: Dydd Mercher, 12 Gorffennaf 2017**

Annwyl Syr/Fadam,

Bydd cyfarfod **Cabinet** yn cael ei gynnal yn **Ystafell Sirhywi, Tŷ Penallta, Tredomen, Ystrad Mynach** ar **Dydd Mercher, 19eg Gorffennaf, 2017** am **2.00 pm**. i ystyried materion a gynhwysir yn yr agenda canlynol.

Yr eiddoch yn gywir,

**Chris Burns**  
PRIF WEITHREDWR DROS DRO

## AGENDA

Tudalennau

- 1 I dderbyn ymddiheuriadau am absenoldeb
- 2 Datganiadau o Ddiddordeb.

Atgoffi'r Cynghorwyr a Swyddogion o'u cyfrifoldeb personol i ddatgan unrhyw fuddiannau personol a/neu niweidiol mewn perthynas ag unrhyw eitem o fusnes ar yr agenda hwn yn unol â Deddf Llywodraeth Leol 2000, Cyfansoddiad y Cyngor a'r Cod Ymddygiad ar gyfer Cynghorwyr a Swyddogion.

I gymeradwyo a llofnodi'r cofnodion canlynol:-

- 3 Cynhaliwyd y Cabinet ar 5ed Gorffennaf 2017.

1 - 4

A greener place Man gwyrddach



I dderbyn ac ystyried yr adroddiad(au) canlynol y mae angen penderfyniadau gweithredol arnynt: -

4	Cofrestr Risg Corfforaethol.	5 - 12
5	Cais am Adnoddau Ychwanegol mewn Ymateb i Alw Cynyddol o fewn Gwasanaethau Plant.	13 - 18
6	Adolygiad o Daliadau Gwasanaeth Tai.	19 - 30
7	Prosiectau ERDF Croeso Cymru - Triongl Antur Camlas Mynwy a Brycheiniog.	31 - 46
8	Blaenraglen Waith y Cabinet.	47 - 52

**Cylchrediad:**

Cynghorwyr

C.J. Cuss, N. George, C.J. Gordon, Mrs B. A. Jones, P.A. Marsden, S. Morgan, L. Phipps, D.V. Poole a Mrs E. Stenner,

A Swyddogion Priodol.



## CABINET

### COFNODION Y CYFARFOD A GYNHALIWDYD YN NHŶ PENALLTA, TREDOMEN AR DDYDD MERCHER, 5ED GORFFENNAF 2017 AM 2.00 P.M.

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#### YN BRESENNOL

Y Cynghorydd D.V. Poole - Cadeirydd

Cynghorwyr:

C.J. Cuss (Gofal Cymdeithasol a Lles), N. George (Gwasanaethau'r Gymdogaeth), C.J. Gordon (Gwasanaethau Corfforaethol), Mrs B.A. Jones (Cyllid, Perfformiad a Llywodraethu), P.A.Marsden (Addysg a Chyflawniad), S. Morgan (Economi, Isadeiledd a Chynaliadwyedd), L. Phipps (Cartrefi a Lleoedd) a Mrs E. Stenner (Yr Amgylchedd a Diogelwch y Cyhoedd).

Ar y cyd gyda:

C. Burns (Prif Weithredwr Dros Dro), C. Harrhy (Cyfarwyddwraig Corfforaethol - Cymunedau), N. Scammell (Cyfarwyddwraig Gwasanaethau Corfforaethol Dros Dro a Swyddog Adran 151) a D.Street (Cyfarwyddwr Corfforaethol – Gwasanaethau Cymdeithasol).

Hefyd yn Bresennol:

N. Jenkins (Swyddfa Archwilio Cymru), S.J. Byrne (Swyddfa Archwilio Cymru), S. Harris (Pennaeth Cyllid Corfforaethol Dros Dro), S. Richards (Pennaeth Cynllunio, Strategaeth ac Adnoddau Dros Dro), J. Elias (Rheolwr Gwasanaeth – Anghenion Dysgu Ychwanegol) a C. Evans (Swyddog Gwasanaethau Pwyllgor).

#### 1. YMDDIHEURIADAU DROS ABSENOLDEB

Nid oedd unrhyw ymddiheuriadau dros absenoldeb

#### 2. DATGANIADAU O DDIDDORDEB

Datganodd y Cynghorydd C. Cuss ddiddordeb yn Eitem 7 ar yr Agenda (Ysgol 3-18 Rhymni : Canlyniad y Statudol). Mae manylion wedi eu cofnodi gyda'r eitem berthnasol.

#### 3. CABINET – 21AIN MEHEFIN 2017

PENDERFYNWYD cymeradwyo cofnodion y cyfarfod a gynhaliwyd ar 21ain Mehefin 2017 (rhifau cofnod. 1-7) a'u llofnodi fel cofnod cywir.

## **MATERION SYDD ANGEN PENDERFYNIADAU GWEITHREDOL**

### **4. SWYDDFA ARCHWILIO CYMRU - LLYWODRAETHU DA WRTH BENDERFYNU NEWIDIADAU ARWYDDOCAOL I WASANAETHAU - CYNGOR BWRDEISTREF SIROL CAERFFILI**

Cyflwynodd yr adroddiad y Cabinet gydag adroddiad Swyddfa Archwilio Cymru (SAC) ar Lywodraethu Da wrth benderfynu ar newidiadau arwyddocaol.

Nodwyd y derbyniodd yr Awdurdod adroddiad gan y SAC ym mis Chwefror 2017 mewn perthynas â llywodraethu da wrth benderfynu ar newidiadau gwasanaethau arwyddocaol. Canolbwyntiodd yr adroddiad ar adolygiad o effeithlonrwydd trefniadau llywodraethu Cyngor Bwrdeistref Sirol Caerffili (y Cyngor) ar gyfer penderfynu ar newidiadau arwyddocaol i wasanaethau. Mae SAC yn diffinio hyn fel unrhyw newid arwyddocaol o ran darparu gwasanaethau a/neu unrhyw newid arwyddocaol yn y modd y profir gwasanaethau gan ddefnyddwyr gwasanaethau allanol.

Daeth yr adroddiad i'r casgliad fod ymagwedd y Cyngor i newidiadau mewn gwasanaethau wedi bod yn gymesur â maint y newidiadau y mae wedi'u gwneud hyd yn hyn ac mae'n cryfhau ei drefniadau i baratoi ar gyfer newidiadau yn y dyfodol a allai fod yn fwy arwyddocaol.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhellion yn yr adroddiad yn cael eu cymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD am y rhesymau a gynhwysir yn adroddiad y Swyddog: -

- (i) y dylid nodi cynnwys adroddiad y SAC Llywodraethu Da Wrth Benderfynu ar Newidiadau Sylweddol i Wasanaethau - Cyngor Bwrdeistref Sirol Caerffili;
- (ii) y dylid nodi ymatebion Swyddogion i'r cynnig SAC ar gyfer gwella fel y manylir yn Atodiad 4.5 o'r adroddiad;

### **5. ADRODDIAD SAC - CYNLLUNIO ARBEDION (CYNGOR BWRDEISTREF SIROL CAERFFILI)**

Cyflwynodd yr adroddiad y Cabinet gydag adroddiad Swyddfa Archwilio Cymru (SAC) ar ei asesiad cynllunio arbedion ar gyfer CBS Caerffili.

Yn y blynyddoedd diwethaf mae SAC wedi cynnal asesiadau gwytnwch ariannol o bob cyngor yng Nghymru ac roedd yr adolygiad diwethaf a gynhaliwyd rhwng Mehefin a Rhagfyr 2016 yn canolbwyntio ar y graddau y cyflawnodd y Cyngor ei gynlluniau arbedion 2015/16, ansawdd y Cynllun Ariannol Tymor Canolig a chadernid cynlluniau arbedion ar gyfer 2016/17.

Cyhoeddwyd adroddiad SAC yn manylu ar ganfyddiadau'r adolygiad diweddaraf ym Mawrth 2017, ac ar y cyfan daeth yr adroddiad i'r casgliad bod gan y Cyngor ddull cynllunio ariannol effeithiol a gwell sy'n cefnogi gwytnwch ariannol ar gyfer y dyfodol. Mae'n dda nodi bod adroddiad y SAC yn cydnabod bod y darlun hwn yn gwella.

Mae adroddiad y SAC yn cynnwys un cynnig ar gyfer gwella, sef i gryfhau trefniadau cynllunio ariannol drwy sicrhau bod cynlluniau arbedion yn cael eu hategu gan achosion busnes cadarn. Mewn ymateb i hyn mae swyddogion wedi datblygu templed newydd i gipio gwybodaeth fanwl ar gynigion arbedion yn y dyfodol.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhellion yn yr adroddiad yn cael eu cymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD am y rhesymau a gynhwysir yn adroddiad y Swyddog: -

- (i) cynnwys adroddiad y SAC - Cynllunio Arbedion (Cyngor Bwrdeistref Sirol Caerffili)
- (ii) y dylid nodi ymatebion Swyddogion i'r cynnig SAC ar gyfer gwella fel y manylir ym mharagraff 4.4 o'r adroddiad;

## 6. ALLDRO DROS DRO AR GYFER 2016/17

Darparodd yr adroddiad fanylion o'r alldro dros dro ar gyfer y flwyddyn ariannol 2016/17 cyn yr archwiliad blynyddol gan Archwiliwr Allanol yr Awdurdod, Grant Thornton, i'r Cabinet.

Cyfeiriwyd y Cabinet at Atodiad A, sy'n crynhoi'r sefyllfa refeniw alldro dros dro sydd yn danwariant net o £12.346miliwn. Mae hyn yn cynnwys tanwariant o £3.977miliwn ar y Cyfrif Refeniw Tai a gorwariant o £555 mil i ysgolion.

Yn ystod y flwyddyn mae Swyddogion wedi parhau i fod yn ymwybodol o'r rhaglen barhaus o doriadau ac mae gwariant wedi ei gwtogi mewn nifer o feysydd er mwyn cefnogi'r Cynllun Ariannol Tymor Canolig. Mae'r dull pwyllog hwn wedi arwain at nifer o arbedion yn cael eu cyflawni o flaen llaw ac felly cafwyd tanwariannau uwch nag y byddai'n digwydd fel arfer. Mae manylion yr amrywiadau mwy arwyddocaol yn erbyn y gyllideb yn cael eu darparu yn yr adroddiad ar gyfer pob Cyfarwyddiaeth.

Mae Atodiad B yn dangos symudiadau ar falans y Gronfa Gyffredinol o 1af Ebrill 2016 tan 31ain Mawrth 2017 ynghyd ag ymrwymadau y cytunwyd arnynt sydd yn gyfredol ar gyfer 2017/18. Y rhagolwg ar gyfer balans y Gronfa Gyffredinol fel yr adroddwyd i'r Cyngor ar yr 22ain Chwefror 2017 oedd £13.910 miliwn. Mae'r sefyllfa ddiweddaraf yn falans rhagamcanol o £15.964 miliwn, sy'n gynydd o £2.054 miliwn. Mae'r tabl ym mharagraff 4.4 o'r adroddiad yn rhoi manylion y cynnydd hwn.

Nododd aelodau, gan fod y rhagolygon cyllid ar gyfer Llywodraeth Leol yn parhau'n ansicr ar gyfer y blynyddoedd sydd i ddod ar gyfer cyllid craidd a grantiau penodol, argymhellir y dylid cadw balans y Gronfa Gyffredinol yn £13.910 miliwn fel y cytunwyd gan y Cyngor ar yr 22ain Chwefror 2017. Bydd hyn yn golygu bod swm ychwanegol o £2.054 ar gael i'w ddefnyddio ar gyfer dibenion eraill ac argymhellir y dylai hyn gael ei drosglwyddo i Gronfa Cyfalaf Wrth Gefn a Glustnodwyd. Bydd cynigion ar y defnydd o'r Cronfeydd Cyfalaf a Glustnodwyd yn cael eu cyflwyno i'r Cabinet i'w hystyried yn ddiweddarach eleni.

O ran gwariant cyfalaf, cyfanswm y gwariant ar Raglen Cyfalaf SATC ar gyfer 2016/17 oedd £31.4 miliwn. Cafodd y gwariant hwn ei ariannu gan y Lwfans Atgyweiriadau Mawr £7.4 miliwn gan Lywodraeth Cymru a chyfraniadau refeniw o'r Cyfrif Refeniw Tai o £24 miliwn.

Arweiniodd Rhaglen Gyfalaf y Gronfa Gyffredinol ar gyfer 2016/17 at gyfanswm cyllid o £55.5 miliwn ar gael gan gynnwys yr holl ddyraniadau grant yn ystod y flwyddyn ac arian Adran 106. Roedd swm o £20.5 miliwn yn parhau heb ei wario ar ddiwedd y flwyddyn ariannol, mae'r mwyafrif ohono yn cynrychioli llithriant sydd wedi cael ei barhau i flwyddyn ariannol 2017/18.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhelliad yn yr adroddiad yn cael ei gymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD am y rhesymau a gynhwysir yn adroddiad y Swyddog: -

- (i) i nodi sefyllfa alldro dros dro 2016/17;
- (ii) i gymeradwyo trosglwyddo £2.054 miliwn i'r Gronfa Cyfalaf Wrth Gefn a Glustnodwyd ym mharagraff 4.5 o'r adroddiad.

## **7. YSGOL 3-18 RHYMNI: CANLYNIAD YR HYSBYSIAD STATUDOL**

Datganodd y Cynghorydd C. Cuss ddiddordeb yn yr eitem hon fel Llywodraethwr ar gyfer Ysgol Gyfun Rhymni a gadawodd y cyfarfod tra cafodd ei thrafod.

Darparodd yr adroddiad ddiweddariad i'r Cabinet ar ganlyniad yr Hysbysiad Statudol ac i benderfynu a ddylid bwrw ymlaen â'r cynnig i sefydlu Ysgol 3-18 Rhymni.

Nododd y Cabinet fod yr Awdurdod Lleol wedi dilyn y gweithdrefnau a amlinellir yn y Côd Trefniadaeth Ysgolion (2013) i greu Ysgol 3-18 ar safle Ysgol Gyfun Rhymni. Gan na dderbyniwyd unrhyw wrthwynebiadau yn ystod y cyfnod Hysbysiad Statudol, y cam olaf yn y broses yw i'r Cabinet wneud penderfyniad ar y cynnig.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhelliad yn yr adroddiad yn cael ei gymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD am y rhesymau a gynhwysir yn adroddiad y Swyddog, i gymeradwyo'r cynnig i sefydlu Ysgol 3-18 Rhymni sydd i ddod i rym o Ionawr 2018.

## **8. CAU CANOLFAN ADNODDAU ARBENIGOL CYFNOD ALLWEDDOL 3 AR GYFER PLANT GYDAG ANAWSTERAU EMOSIYNOL, YMDDYGIADOL A CHYMDEITHASOL YSGOL TRECelyn: CANLYNIAD Y BROSES YMGYNGHORI FFURFIOL.**

Rhoddodd yr adroddiad ddiweddariad i'r Cabinet ar yr ymateb i'r cyfnod Hysbysiad Statudol mewn perthynas â'r cynnig i gau'r ganolfan adnoddau arbenigol cyfnod allweddol 3 yn Ysgol Trecelyn ac i geisio penderfyniad ar y cynnig.

Nododd aelodau fod yr Awdurdod Lleol wedi dilyn gweithdrefnau a amlinellir yn y Côd Trefniadaeth Ysgolion (2013) i gau'r ganolfan adnoddau arbenigol cyfnod allweddol 3 yn Ysgol Trecelyn. Gan na dderbyniwyd unrhyw wrthwynebiadau yn ystod y cyfnod rhybudd statudol, y cam olaf yn y broses yw i'r Cabinet wneud penderfyniad ar y cynnig.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd bod yr argymhelliad yn yr adroddiad yn cael ei gymeradwyo. Cytunwyd ar hyn yn unfrydol drwy godi dwylo.

PENDERFYNWYD, am y rhesymau a gynhwysir yn adroddiad y Swyddog, i gymeradwyo'r cynnig i gau'r Ganolfan Adnoddau Arbenigol Cyfnod Allweddol 3 ar gyfer plant gydag anawsterau emosiynol, ymddygiadol a chymdeithasol yn Ysgol Trecelyn.

Terfynwyd y cyfarfod am 2.45 p.m.

Cymeradwywyd a llofnodwyd fel cofnod cywir yn amodol ar unrhyw gywiriadau a wnaed yn y cyfarfod a gynhaliwyd ar y 19eg Gorffennaf, 2017.

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CADEIRYDD



## CABINET – 19TH JULY 2017

**SUBJECT: CORPORATE RISK MONITORING**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES**

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

- 1.1 To provide an update of the Corporate Risk Register in accordance with the Council's Risk Management Strategy.
- 1.2 The Corporate Risk Register update seeks the views and approval of Cabinet prior to its presentation to Audit Committee on the 13<sup>th</sup> September 2017.
- 1.3 Members have a critical role to play in evaluating the council's risk management arrangements and in particular understanding how the council identifies, manages and, where possible, mitigates/removes risk. Risk Management is crucial to the effective delivery of council services.

### **2. SUMMARY**

- 2.1 Under the Council's Risk Management Strategy, Corporate Management Team (CMT) monitor the Council's Corporate Risks and Audit Committee have the role of reviewing and challenging the risk register and resultant action plans for the council's key strategic and corporate risks. The role of Cabinet has been formalised and moving forward Cabinet will receive six monthly progress reports on the Corporate Risk Register. The Risk Register has been revised after the review by CMT on the 22<sup>nd</sup> June 2017 and the changes made summarised in the table below.

Attached at Appendix 1 is the updated version of the Council's Corporate Risk Register.

### **3. LINKS TO STRATEGY**

- 3.1 Management of risk is a crucial element in delivering council priorities and ensuring contribution to, the Well-being Goals as set out in the Well-being of Future Generations (Wales) Act 2015 [WBFGA]:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture & thriving Welsh language
- A globally responsible Wales

**4. THE REPORT**

4.1 Part of Cabinet’s role (as noted in the Council Risk Management Strategy 2017) is to:

- Approve the “risk appetite” of the Council i.e. the definition of high (red) risk, medium (amber) risk and low (green) risk as recommended by the Corporate Management Team.
- Approve the risk “appetite” in light of the new way to view risk through the lens of the sustainable development principles, the short/medium/long term, and the 7 Well-being Goals - Well-being of Future Generations (Wales) Act 2015.
- Hold the Corporate Management Team accountable for the effective management of risk.
- Monitor the arrangements for managing the Council’s Corporate/Whole Authority Risks, through six-monthly progress reports.
- Receive and review the risk register and resultant action plans for the top corporate risks.
- Make an appropriate allocation of resources to address identified risks and risk management framework.
- Ensure that appropriate and effective communication reporting lines are in place in the context of risk management.

4.2 The Corporate Risk Register is compiled generally in the following ways:

1. Corporate Management Team (CMT) collectively identify organisational risks that arise from such sources as national/regional agendas, changing legislation, budget settlements, partnership risks, project risks etc.
2. CMT collectively identify whole authority operational risks that could result from regulatory inspections/reviews, political influences, work-force planning, performance management and from risks escalating from Directorate Risk Registers.
3. Directors escalate operational risks that, in their opinion, require a corporate approach to their management.

4.3 The Corporate Risk Register (CRR) is a ‘living document’ and changes at every review as new risks are introduced, existing risks are closed, or existing risk’s RAG (red/amber/green) assessment is updated. See Appendix 1.

4.4 As noted above the Risk Management Strategy has recently been updated and approved and moving forward Cabinet will now receive six monthly progress reports on the Corporate Risk Register. A summary of the main changes in the Register agreed by CMT is provided in the table below.

<b>Risks Removed</b>	<b>Risks Added</b>	<b>Risks Amended</b>
CMT38 – IT security CMT40 – The Well-being of Future Generations (Wales) Act 2015 CMT43 – Welsh language Standards (this was added in Q4 of 16/17 and then removed in Q1 of 17/18)	CMT45 – New Risk CMT46 – New Risk CMT47 – New Risk	CMT01 - Actual Risk, Mitigating Actions & Comment. CMT16 - Comment. CMT17 - Mitigating Action & Comment. CMT18 - Comment. CMT29 - Mitigating Actions & Comment. CMT12/37- Actual Risk. CMT39 - Mitigating Action. CMT41 - Comments & Risk category. CMT42 - Additional text & Risk category CMT44 - Comment.

4.5 The attached register has been updated to reflect changes in the way risk is identified and assessed in light of the ‘duty’ to act sustainably (para 5.2) which emphasises a long term and prevention aspect in the way we view risk, particularly its effects on citizens or their communities. The WBFGA legislation states in its guidance that a public body will need to



change the way it manages risk. Under section 3 of 'where change needs to happen' of the Welsh Government Guidance, it states that:

"There will be long term risks that will affect both the delivery of your services but also the communities you are enabling to improve. Use the well-being goals and five ways of working to frame what risks you may be subject to in the short, medium and long term and together with the steps you will take to ensure they are well managed".

- 4.6 Looking to the long term does not mean short term risks go away, or, that operational risks for example, are less important, rather it means we have to broaden our scope to include risks to the public, risks to services for those with protected characteristics and recognising strengths of communities as opportunities. The register template (Appendix 1) has been altered to reflect this.

## 5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 The Well-being of Future Generations (Wales) Act 2015 [WBFGA] identifies a core set of activities that are common to the corporate governance of public bodies where change needs to happen:

- Corporate Planning
- Financial Planning
- Workforce Planning
- Procurement
- Assets
- **Risk Management**
- Performance Management

- 5.2 The Corporate Risk Register incorporates the five ways of working (ICLIP) identified within the sustainable development principle in the WBFGA. These are:

- **Involving** a diversity of the population in the decisions that affect them.
- Working with others in a **Collaborative** way to find shared sustainable solutions.
- Looking to the **Long-term** so that we do not compromise the ability of future generations to meet their-own needs.
- Taking an **Integrated** approach so that public bodies look at all the well-being goals in deciding on their well-being objectives.
- Understanding the root causes of issues to **prevent** them from occurring.

- 5.3 Risks are assessed in terms of their implications for the wellbeing of future generations.

## 6. EQUALITIES IMPLICATIONS

- 6.1 The Local Government Measure defines fairness and access as one of the criteria that constitutes 'improvement' within the Wales programme for Improvement 2009.

- 6.2 Promoting equalities is a fundamental requirement of the Future Generations legislation, with specific resonance for meeting the Well-being Goals of: *A More Equal Wales, and A Wales of Cohesive Communities.*

## 7. FINANCIAL IMPLICATIONS

- 7.1 There are no financial implications associated with this report.

## **8. PERSONNEL IMPLICATIONS**

8.1 There are no personnel implications associated with this report.

## **9. CONSULTATIONS**

9.1 This report has been sent to the Consultees listed below and all comments received are reflected in this report.

## **10. RECOMMENDATIONS**

10.1 That Cabinet provides their views on the Corporate Risk Register and having done so endorse the update prior to presentation to the Audit Committee.

## **11. REASONS FOR THE RECOMMENDATIONS**

11.1 To be assured that the Council is managing its Risks effectively and within compliance with the Council's Risk Management Strategy.

## **12. STATUTORY POWER**

12.1 Local Government Measure 2009, Wales Programme for Improvement 2010, Well-being of Future Generations (Wales) Act 2015.

Author:	Ian Raymond	Performance Officer
Consultees:	Chris Burns	Interim Chief Executive
	Nicole Scammell	Acting Director of Corporate Services
	Christina Harry	Corporate Director of Communities
	Dave Street	Corporate Director of Social Services
	Robert Hartshorn	Head of Public Protection
	Kathryn Peters	Corporate Policy Manager
	Ros Roberts	Corporate Performance Manager
	Lisa Lane	Corporate Solicitor
	Richard Harris	Internal Audit Manager
	Anwen Rees	Senior Policy Officer- Equalities & Welsh Language
	David Roberts	Principal Group Accountant
	Shaun Watkins	Principal Personnel Officer
	Cllr Barbara Jones	Deputy Leader and Cabinet Member for Finance, Performance and Governance

Appendices:

Appendix 1 Corporate Risk Register (June 2017)

Ref	Area	Background information	Actual Risk	Mitigation actions - what we are doing to reduce the risk and by when. Have we considered the five ways of working to help with a solution? (see ICLIP key)	Risk Level 2017-18 Q1	Risk Level 2017-18 Q2	Comments from latest risk review	Does this effect the Well-being of Future Generations in our Communities?	Long term (20-25 years) / medium / or short-term risk	FGA Risk Level	Risk Owner
CMT01	Medium Term Financial Planning (MTFP):  MTFP Strategy 2017/22  Capital Budget Pressures	Budget pressures will potentially have a negative effect on service delivery across all services.  Inadequate funds to maintain assets. Need to rationalise.	<ol style="list-style-type: none"> <li>1. Workforce Planning: less staff to deliver services.</li> <li>2. Failure to maintain and/or improve service delivery</li> <li>3. Failure to take early decisions on which services should be cut could limit planning for changes.</li> <li>4. Managing staff morale in light of cuts</li> <li>5. Revenue Support Grant (RSG) formula change</li> <li>6. National living wage</li> <li>7. Member/public expectation levels and reputation risk.</li> <li>8. CCBC priorities moving forward</li> <li>9. National and Regional change agenda</li> <li>10. Inability to invest in assets e.g. progress 'Band B' of the 21st Century Schools Programme.</li> </ol>	<ol style="list-style-type: none"> <li>1. Human Resources (HR) have a suite of policies agreed by Cabinet/Council to help downsize the workforce, although these will need to be kept under review</li> <li>2. Decisions taken so far have aimed to reduce rather than remove services. This may not be possible in the light of future projections.</li> <li>3. 2017/18 savings proposals totalling £9.046M were approved by Council on the 22nd Feb 2017.</li> <li>4. Development of an appropriate communication strategy</li> <li>5. Consultation with the public, and affected service users.</li> <li>6. Need to be ready for Asset rationalisation.</li> <li>7. Reviewing principles with Members and public.</li> <li>8. A Members Seminar is being held in September 2017.</li> <li>9. Savings targets have been allocated to Heads of Service.</li> </ol>	High		<p>The MTFP has been extended to 5 years with potential/draft savings of £9.046M identified for 17/18 (<b>Cabinet Report 15/02/17</b>). No indicative settlement figures have been provided by WG at this stage for future years beyond 2017/18.</p> <p><b>Medium-Term Financial Strategy:</b> At its meeting on the 24th February 2016 Council was presented with a Medium-Term Financial Plan (MTFP) which showed an indicative savings requirement of £36.252m for the period 2016/17 to 2020/21. This has now been updated/predicted to be £37.835 for the period 2017/18 to 2021/22. (assuming no increase or decrease in Welsh Government (WG) funding over the same period).</p>	Yes, the financial resources available will impact on the services we deliver and the way we deliver them. This will affect the community.	Medium-term	High	Corporate Management Team
CMT16	School Attainment	School attainment levels are still below the all Wales average, along with pupil attendance. Low levels of attainment and relative achievement are continual risks for the borough.	<ol style="list-style-type: none"> <li>1. Attainment levels are below the Welsh average.</li> <li>2. There is a gap between the attainment of Free School Meals pupils and Non-Free School Meals pupils which must be addressed.</li> </ol>	<ol style="list-style-type: none"> <li>1. Standards of attainment are monitored and reported to the; Senior Management Team (SMT) / Corporate Management Team (CMT) / Scrutiny Committee, through an annual programme of reporting described in the Directorate Plan Handbook.</li> </ol>	Medium		<p>Improvement has been continuous in the majority of key indicators for several years but remains a priority, especially at L2+ KS4. The Chief Executive and Chief Education Officer are working with the Education Achievement Service (EAS) and Headteachers to develop a comprehensive strategy for improvement. To be reviewed in August after the next set of results become available.</p>	Yes, this limits contribution to 'Prosperous and More Equal Wales'. Standards of attainment and gaps in inequality can result in a low skilled, low paid workforce, and higher levels of unemployment leading to poverty. Over the long-term (25 years) in the life of a young child to adult the potential outcome of the attainment gap makes this a high risk.	Long-term	High	Interim Chief Executive
CMT17	Sustainability of service provision via grant funding	Heads of Service and Directors are aware of all the grant funded schemes within their service areas.	<ol style="list-style-type: none"> <li>1. There is lack of security or sustainability in maintaining grant funded programmes</li> <li>2. Critical workforce levels cannot be maintained as staff are lost.</li> <li>3. Grant funding is sustaining some key areas of work. If this is lost there will be a reduction in service that may impact on customer satisfaction levels.</li> </ol>	<ol style="list-style-type: none"> <li>1. The risk will be closely monitored in light of the expected worsening settlement from Central Government to WG.</li> <li>2. Staff are placed on temporary contracts.</li> <li>3. Officers are liaising with Welsh Government officials to fully understand the implications of their recent announcement regarding Communities First.</li> <li>4. Enter in to dialogue in order to try to establish a medium term profile of grant funding which would allow better medium/long term planning.</li> <li>5. Officers have prepared detailed transition plans (31.05.17) for Communities First(CF) for submission to Welsh Government (WG). The focus of revised WG programme will be on employment, early years and empowerment.</li> </ol>	High		<p>This risk is predicted to be HIGH going forward to 2017-20</p>	Yes, grants are usually allocated to support vulnerable communities and improve the prospects of individuals. Cuts affect the ability to contribute to a 'Prosperous and More Equal Wales' .	Medium-term	High	Corporate Management Team
CMT18	Secondary School rationalisation	Falling pupil numbers in some schools and excess demand in others. Sixth form viability is at risk.	<ol style="list-style-type: none"> <li>1. Falling pupil rolls will affect the funding available to schools and put budgetary pressure on the LA</li> <li>2. Some schools will be unable to provide the full curriculum</li> <li>3. Difficulty in delivering the full range of subjects at 6th form due to financial pressures</li> </ol>	<p>The investment by the Council and Welsh Government (WG) in the 'Band A' 21st Century schools projects will significantly reduce surplus places, specifically within the Secondary sector with the creation of Islwyn High School (opening July 2017) and the proposed closure of Cwmcam School (October 2018). The School Place Planning Strategy will look to further address this issue by accessing Welsh Government 21st Century 'Band B' monies. There is also a review of sixth form provision planned to take place during the academic year 2017/18.</p>	Medium		<p>The recent decision of the Governing Body of Cwmcam High to discontinue the school after 2 years, combined with the establishment of Islwyn High School to replace Oakdale and Pontllanfraith Comprehensives will substantially reduce surplus secondary school places by 2018/19 academic year.</p> <p>This is regularly monitored by the Schools Strategy Board which meets on a monthly basis.</p>	Yes, ESTYN (Education and training inspectorate for Wales) and WG tend to evaluate this on yearly statistics. However the Wellbeing and Future Generations Act 2015 (WBFGA) requires a long term perspective, which shows growth in the population, making this a long term risk where preventative measures to maintain adequate future school provision may not be favoured in the short term.	Long-term	Medium	Interim Chief Executive

Ref	Area	Background information	Actual Risk	Mitigation actions - what we are doing to reduce the risk and by when. Have we considered the five ways of working to help with a solution? (see ICLIP key)	Risk Level 2017-18 Q1	Risk Level 2017-18 Q2	Comments from latest risk review	Does this effect the Well-being of Future Generations in our Communities?	Long term (20-25 years) / medium / or short-term risk	FGA Risk Level	Risk Owner
CMT29	Welsh Housing Quality Standard (WHQS) programme	Everyone in Wales should have the opportunity to live in a good quality home within a safe and secure community. To help achieve this, the physical standard and condition of existing housing must be maintained and improved to the Welsh Housing Quality Standard (WHQS).	As at March 2017 approximately 53% of the internal works programme had been completed and approximately 12% of the external works programme. Based on the current performance of the contract arrangements for the internal works the completion by March 2020 target is achievable. The addition of the Sheltered schemes to the Housing Repair Operations - HRO (previously referred to as Direct Labour Organisation - DLO) programme has also slightly increased the risk for delivery by the HRO. However, the HRO are currently performing exceptionally well and are ahead of schedule. The full delivery of the external works is a major risk to the programme with only 3 years to complete the remainder of the work.	<p>The WHQS programme has its own specific risk register which was reviewed and updated by the Project Board quarterly.</p> <p>The last update was January 2017. The highest risks are:</p> <ul style="list-style-type: none"> <li>Failure to achieve programme objectives - the probability level has reduced, but still high risk in relation to the external works, contingency arrangements have been implemented as identified below in the comments on "Contract arrangements". There is also contingency built into the programme for the final year (2019/20) in relation to the internal works where there is currently no work allocated to the external contractors appointed to the internal works contracts.</li> <li>Capacity - this continues to be a high risk. Staff resources, especially amongst front line roles such as Surveyors, Clerk of Works, Quantity Surveyors, etc. are critical to cope with the volume of work within a fixed timetable. The addition of the Sheltered schemes to the programme for 2017/18 has slightly increased the resource requirements in the immediate and short term. However, a business case to increase resources as and when required to deal with peaks and troughs has been approved and is in place to be used when necessary. Contract arrangements - new contract arrangements for the south of the borough have been put in place for the external works. This Dynamic Purchasing System arrangement (DPS) also provides opportunity to undertake both internal and external works around the authority should the need arise as a further contingency measure.</li> </ul>	Medium		<p>The Major Repair Allowance (MRA) application for 2016/17 was approved in the sum of £7.3m. During 2016/17 over 90% of the planned target for internal works has been achieved. This is a marked improvement from previous years. The external works have only achieved approximately 30% of the planned target, again, this is a marked improvement from previous years. It should be noted that contingency arrangements as highlighted under the mitigation measures have been implemented to reduce the risk for external works. The sheltered housing schemes will be managed in house and additional resources are required, these will be acquired as and when necessary based on the programme demand. A new procurement arrangement is being finalised (Dynamic Purchasing System - DPS) relating to external works in the Lower Rhymney Valley. This has the provision to provide contingency for both internal and external works borough wide. The latest cost plan review identifies that the programme is still affordable within the programme constraints. A further cost plan review is currently being undertaken to inform the update of the business plan to support the MRA application for 2017/18. Further work is being undertaken to base future cost plan reviews on average actual outturn costs as opposed to the Savills figures that have been used historically.</p> <p>Due to the way the WHQS programme (phased delivery) has been structured i.e. internal and external works being undertaken separately and in different communities, the number of fully compliant with WHQS properties will increase significantly as these two workstreams combine, which will occur from 2017. To date however, approximately 65% of the stock has benefitted from WHQS improvements.</p>	Yes. Whilst operationally and financially this is a high risk, through the lens of the Wellbeing and Future Generations Act 2015 (WBFGA) any improvements to housing stock are beneficial to tenants, the community and its sustainability. Programme delays are an operational / financial risk but in terms of the five ways of working this activity meets nearly all of those core values providing tangible customer benefits.	Medium-term	Medium	Corporate Director Communities
CMT12 & CMT37	Waste Management Service Continuity & Target Achievement	Significant changes in the Waste Management arena combined with the Welsh Government (WG) drive for source segregated collections and substantial change to the recycling Material Recovery Facility (MRF) market could potentially affect service delivery to the public and/or target achievement if mitigation measures are not put in place.	<ol style="list-style-type: none"> <li>Having a sustainable and affordable service to meet future targets.</li> <li>The level of contamination in recycling.</li> <li>Insufficient community participation in food recycling.</li> </ol>	<ol style="list-style-type: none"> <li>Working with WG, Waste Resources &amp; Action Programme (WRAP) and their appointed consultants to determine a suitable location and design for a new Waste Transfer Station which will be required if collection change</li> <li>Interim arrangements in place with an option to extend until 2018. New, long terms organics procurement has commenced and will be subject to market tendering in april 2017</li> <li>Ensuring current contractors achieve as a minimum the current recycling levels. Current MRF arrangement expires in July 2107 but new contract currently in process of being procured (market tendering commenced March 2017). This will ensure that there is a facility to recycle materials until any service changes are introduced.</li> <li>Currently working on a variety of projects to determine a strategy that will achieve the higher recycling targets. 2015/16 statutory target of 58% achieved and progress being made to achieve the next (2019/20) target of 64%</li> <li>A Waste Board has been established, Chaired by the Director and including relevant senior officers.</li> </ol>	Medium		<p>Internal work programme running to timescale.</p> <p>External works are challenging, but, mitigation measures are being put in place.</p> <p>Environmental programme and improvements to the Sheltered Housing Schemes has commenced.</p> <p>Lansbury Park: external finance has been sourced and works progressing shortly.</p> <p>Financial Plan continuing to be monitored to ensure we remain within financial envelope.</p> <p>Year-End performance stats (March 2017) show: Internals complete 5874 to be done 4955. Externals complete 1320 to be done 9509.</p> <p>The Wales Audit Office (WAO) recently reviewed the WHQS programme and CCBC are awaiting their report.</p>	Yes - the purpose of the landfill directive is to divert biodegradable waste away from landfill to reduce pollution. A diverse natural environment with healthy functioning ecosystems contributes to a 'Resilient Wales'. Failure to deal with waste properly affects future generations.	Long-term	Medium	Corporate Director Communities

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CMT39	Fragility of the Social Care market	The independent sector social care market across Wales is in an unprecedented position in terms of its fragility and this is starting to be felt in Caerphilly.	<ol style="list-style-type: none"> <li>Providers unable to sustain existing packages of care.</li> <li>National Minimum Wage and National Living Wage creating additional financial strain which providers are expecting LA's to resolve.</li> <li>Little additional capacity to take on new packages of care.</li> <li>Ongoing Judicial Review across Wales re responsibility for Funded Nursing Care Payments</li> <li>Potential Financial impact on the Directorate &amp; authority</li> </ol>	Fee levels for 2017/18 agreed at 3.1%.This was funded via a mix of core funding and CCBC's element of the Social Care Workforce grant paid by Welsh Government. A further element of workforce funding has recently been released by WG. Discussions are ongoing with commissioned providers to determine how these monies should be allocated.	Medium		No change.	Yes - reducing help that can be provided for the most vulnerable in our society will affect our ability to contribute to a 'Healthier Wales' which requires peoples mental and physical well-being to be maximised. Whilst this may be a medium risk operationally from a FGA perspective this would be high as it directly affects those most in need.	Medium-term	High	Corporate Director Social Services
CMT41	Local Climate Impacts Profile (July 2015)	Not being prepared for the impacts associated with climate change. For Caerphilly this will manifest as a more volatile weather pattern:	<ol style="list-style-type: none"> <li>More severe storms resulting in damage to trees and buildings.</li> <li>Increase in winter rainfall resulting in flooding, affecting people, property and infrastructure.</li> <li>Increases in summer temperatures resulting in hot weather related death and illness.</li> <li>Changes in species including a decline in native species, changes in migration patterns and increases in alien and invasive species, including pests and disease.</li> <li>Reduction in summer rainfall resulting in reduced river flows and water availability.</li> <li>Increase in levels of extreme weather such as snow/ice which could potentially impact on not only the travelling public but the elderly/frail and those in fuel poverty.</li> <li>Non-compliance with the legislation resulting in a poor regulatory report.</li> </ol>	<p>A Local Climate Impact Profile (LCLIP) has been prepared for use by services. It identifies the priority impacts to enable services to develop plans to address the impact. The LCLIP links to other plans including Highways Winter Maintenance Plans, Business Continuity Plans &amp; Emergency Plans etc. Mitigation work being undertaken includes:</p> <ul style="list-style-type: none"> <li>Assessing the vulnerability of drainage infrastructure in excessive rainfall</li> <li>Installing flood risk measures at priority vulnerable locations</li> <li>Assessing the condition of trees</li> <li>Considering climate change in the Asset Management Programme</li> <li>Monitoring the temperature of corporate buildings in hot weather</li> <li>Tree Management Strategy prepared and has been considered by scrutiny.</li> </ul> <p>A review of resources to manage tree stock currently being undertaken prior to consideration by scrutiny committee and cabinet</p>	Medium		The Local Climate Impact Profile was approved by CMT in July 2015. It's recommendations should now be considered as business as usual and included in Self-Evaluation and Service Plans. Some projects/programmes currently active to address/minimise the effects/impacts are: <ul style="list-style-type: none"> <li>Local Flood Risk Management Strategy (Engineering) in place.</li> <li>Risca flood defences are being considered.</li> <li>Initiated works to install PV systems on 20 schools (4Kw).</li> <li>About to trial electric vehicles - 3 pilots (services), 2 sets of charge points and 5 vehicles.</li> <li>Tree Management Strategy has been prepared and has been considered by scrutiny.</li> <li>Several larger scale projects have been delivered for solar PV installations to Corporate Building (e.g Care Homes).</li> <li>The Winter Service Plan 2016/17 Highways) has been effectively delivered to date.</li> <li>Ongoing staff training is being delivered by the Corporate Energy Team re: Energy Efficiencies/Carbon Management and Effects of Climate Change.</li> </ul>	Yes - there is an impact to a 'Resilient Wales' by not proactively addressing the operational response to climate change. The contribution to global issues and a 'Globally Responsible Wales' is met through low carbon planning and sustainable development. There is a direct impact to Health also.	Short, medium & Long-term	Medium	Corporate Management Team
CMT42	Exit from the EU		The decision to leave the EU has created a degree of uncertainty. This has caused some turbulence in the short term. Moving forward it is currently difficult to determine whether Brexit will be better, or worse, for the Authority, Wales and the UK.	CMT are continuing to monitor the situation.	Unable to assess due to level of uncertainty		There remains a great deal of uncertainty around the potential positive or negative impacts of the decision to leave the EU. Officers are continuing to monitor the situation.	Impacts are not yet fully understood, however they will take place over a longer time frame	Long-term	Unable to assess due to level of uncertainty	Corporate Management Team
CMT44	Local Development Plan (LDP)	Not having an up to date Local Development Plan (LDP) in place to address the shortfall on 5 year housing land supply. Following extensive consultation Councillors concluded in a vote 19th July to formally withdraw the draft Local Development Plan following opposition to some development sites.	The adopted LDP proposes a number of houses to be built over a 15 year period and allocates land for that housing development. However, the annual housing land available study conducted with the housebuilding industry and Welsh Government has revealed that many of the allocated sites are not available or viable, and there is therefore a shortfall of housing land on which the remaining number of houses can be built. Housing developers will therefore submit applications to develop land that is not allocated in the LDP. The Council will consider the applications, but the lack of a five-year housing land supply will be a strong material planning consideration that may outweigh other policies in the plan. A refusal of planning permission may lead to an increase in appeals and award of costs if the Council is considered to behave unreasonably, e.g. where a reason for refusal is not based on any sound evidence.	The Adopted LDP remains in force until 2021. In the interim, officers are working closely with Welsh Government officials to agree the appropriate footprint for strategic planning for the Cardiff Capital Region. It is unlikely that the 5 year land supply can be addressed in the short term. In the medium to long term a replacement plan will increase the land supply position.	Medium		A number of significant applications have been submitted and approved by Welsh Government on appeal. Resulting in significant cost to the authority. Having regard to the number of potential future developments there are concerns that existing infrastructure such as transport, schools, and other services is inadequate.	Yes - the lack of an LDP threatens the timely delivery of land for development, particularly housing, making it more difficult to achieve the goal of prosperity.	Medium Term	Medium	Corporate Director of Communities

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CMT45	Local Government Reform	Welsh Government White Paper: 'Reforming Local Government: Resilient and Renewed' - Published on 31st January 2017 and draft Local Government (Wales) Bill' issued in November 2015.	<ol style="list-style-type: none"> <li>1. Logistics and impact of 'regionalising' certain services could lose sight of localised needs. This could have a negative effect on the well-being of some of our communities. (E.g. perceived priorities/disparities between; Cities v Town v Village v Rural areas).</li> <li>2. Changes to Governance arrangements could initially delay decision making, operational and service delivery and overall performance of the authority.</li> <li>3. Scrutiny may be diluted, creating an exposure and vulnerability to regulatory criticism.</li> <li>4. Staff re-structuring could cause service delivery interruptions at pressing times / there will be cost implications / and, uncertainties about retaining or recruiting appropriately educated and skills workforces throughout the organisation to continue delivery of high levels of performance.</li> <li>5. Current financially stable authority monies may be diverted / used to support the lesser financially stable authorities, reducing opportunities locally.</li> </ol>	<ol style="list-style-type: none"> <li>1. Report to Council - 7th March 2017: To seek Council approval for the proposed Caerphilly County Borough Council response to the consultation on the Welsh Government White Paper: 'Reforming Local Government: Resilient and Renewed'. Approved.</li> <li>2. Welsh Government are currently working to a timetable which would see a Local Government Bill introduced in summer 2018, to commence in 2019, with mandated regional working arrangements in place in 2020.</li> </ol>	Low		New risk. Await the result of the Local Government Reform White Paper. The Welsh Local Government Association (WLGA) has submitted a response to the consultation, which does not support mandated regional delivery.	Yes - However, impacts are not yet fully understood.	Medium and Long term	Medium	Corporate Management Team
CMT46	Cardiff Capital Region City Deal (CCRC)	CCRC signed by all 10 Local Authorities in January 2017	<ol style="list-style-type: none"> <li>1. That the business plan detailing themes &amp; indicative spend is not agreed by all 10 LA's.</li> <li>2. CCRC is unable to pass scheduled gateway reviews potentially leading to financial liability.</li> <li>3. Challenging timeframes.</li> <li>4. Senior managers ability to lead on CCRC proposal.</li> </ol>	<ol style="list-style-type: none"> <li>1a. Director working as part of thematic lead team will input into the draft proposals. Working closely with the CEO we will ensure Members fully understand the proposals offered for approval, which will capture the benefits of this regional initiative, and that activities in other county boroughs will benefit the region as a whole, including Caerphilly borough.</li> <li>1b CCBC Regeneration Strategy/Resilience Strategy to be drafted as soon as possible to identify CCBC regeneration priorities.</li> <li>1c A project development fund is included within the CCRC Programme office which can be accessed for bid development.</li> <li>2. The process will be closely monitored so that any potential liabilities are identified well before the gateway reviews.</li> <li>3. Work priorities will be reviewed to accommodate the timeframes.</li> <li>4. Skills amongst senior managers within the constituent authorities will be identified to ensure that the necessary leadership is available.</li> </ol>	Low			The CCRC is intended to bring significant benefits in terms of greater prosperity for the region and to maximise the ability of the authority to capitalise on training and employment opportunities for the area	Long-term	Low	Corporate Director of Communities
CMT47	Asset Management.	Insufficient budget to manage existing assets or pursue necessary development. The authority has too many buildings and insufficient capital programme allocation to maintain them. Additionally revenue budgets for building maintenance are being diverted to meeting the demands of the necessary legal standards, in particular health and safety legislation and that might well mean that normal building maintenance will suffer.	<ol style="list-style-type: none"> <li>1. Maintenance of existing sites will not be to a required standard</li> <li>2. Disposal of assets must be managed carefully to minimise community and service impacts</li> <li>3. Community Asset Transfer as an option brings risks in relation to continued liability</li> <li>4. Asset disposal may not realise expected returns</li> <li>5. Inability to pursue issues that we would wish, to improve service provision and community outcomes e.g. Band B of 21st Century Schools</li> </ol>	<ol style="list-style-type: none"> <li>1. Development of asset management and rationalisation programmes</li> <li>2. Cost benefit assessment before planned expenditure supported by business case where relevant</li> <li>2. Early stakeholder and community consultation before asset disposal</li> <li>3. Support for recipient organisations accepted for Community Asset Transfer</li> <li>4. Long term view of the needs of local communities balanced against the need to secure budget savings in the short to medium term.</li> <li>5. Services to identify what buildings they can realise as a consequence of Medium Term Financial Plan (MTFP) savings.</li> </ol>	Medium		Risk added to reflect MTFP pressures on capital decisions and inadequacy of capital funds.	Potentially disposal of assets across the authority may affect some communities disproportionately in the short to medium term. However, this has to be balanced against the need to manage a 'fit for use' portfolio to secure provisions for future generations over a longer timeframe.	Medium-term	Medium	Corporate Management Team

**ICLIP Key:**

**Involving** a diversity of the population in the decisions that affect them;

**Working with others in a collaborative** way to find shared sustainable solutions;

**Looking to the long term** so that we do not compromise the ability of future generations to meet their own needs;

**Taking an integrated** approach so that public bodies look at all the well-being goals in deciding on their well-being objectives;

**Understanding the root causes of issues to prevent** them from occurring.



## CABINET - 19TH JULY 2017

**SUBJECT: REQUEST FOR ADDITIONAL RESOURCES IN RESPONSE TO INCREASED DEMAND WITHIN CHILDREN'S SERVICES**

**REPORT BY: CORPORATE DIRECTOR, SOCIAL SERVICES**

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### 1. PURPOSE OF REPORT

- 1.1 To provide Cabinet with contextual information to explain the increase in workload pressures across Children's Services Locality Teams, the Fostering Team and the Legal Team.
- 1.2 To request Cabinet approval for the use of service reserves to fund additional posts on a time limited basis.

### 2. SUMMARY

- 2.1 The report will detail current workload pressures, will explain the pressures relating to the Public Law Outline (PLO) and will provide the evidence to support the proposal to recruit the following additional staff to support Children's Services and Legal Services:
  - 2 Qualified Social Workers – Locality Teams
  - 2 Qualified Social Workers – Fostering Team
  - 1 Grade 5 Administrator – Legal Team

### 3. LINKS TO STRATEGY

- 3.1 Social Services & Well Being (Wales) Act 2014.
- 3.2 Well-Being of Future Generations Act (Wales) 2015. The recommended course of action contributes to the following Well-being Goals:
  - A resilient Wales
  - A healthier Wales
  - A more equal Wales

### 4. THE REPORT

#### **Service Background:**

- 4.1 Children's Services was restructured in 2014 to improve efficiency, reduce transfer points for families and contribute to the 3 year MTFP savings targets. Within the context of wider staffing cuts across the Division, the Social Work Locality Teams have been reduced by:
  - 3 Team Managers
  - 9 Qualified Social Workers
  - 6 Child Care Support Workers

In addition, the Fostering Team has been reduced by:

- 1 Team Manager
- 2 Qualified Social Workers

- 4.2 During the restructure and up to the present time, service performance has been maintained and in many areas improved. In the main, this was able to be achieved because of stability in Looked After Children (LAC) numbers and stable numbers of children on the Child Protection Register (CPR). However, the number of LAC has increased over the last few months. The complexity of the caseloads and the pressures through increased legal proceedings have placed exceptional demands on frontline teams including Legal Services.
- 4.3 Over the last two years, legal proceedings have increased by just under 60%, from 37 at the end of 2014 to 63 at the end of 2016. Year to date trends are demonstrating even higher rates in 2017 with 41 new applications issued at the end of May.
- 4.4 Data recently shared through the Family Justice Network has confirmed that across the UK there has been a 24% increase in legal proceedings in the last 12 months. Across the South East Wales Local Family Justice Board (LFJB) region comprising 10 Local Authorities, the increase is reported to be 29%.
- 4.5 To start with, the Social Work Teams, the Fostering Team and the Legal Team managed to absorb the increase in workloads but as this pressure has been relentless all the teams are now struggling to manage demand.

**Public Law Outline (PLO):**

- 4.6 The PLO provides a 2 stage framework for statutory intervention;
- Pre-Proceedings – where families are formally notified of the concerns of the Local Authority, what support services will be provided and what changes are required in order to avoid court proceedings and;
  - Proceedings – in those cases where the required improvements have not been made, the Local Authority applies to the court for legal orders and statutory intervention. The PLO states that all proceedings must be concluded within a 26 week timeframe.
- 4.7 A critical part of the Pre-Proceedings stage is the support provided to parents to identify potential alternative carers within their family network who could assume responsibility for their children should their situation not improve.
- 4.8 All potential alternative carers are assessed using the 'Connected Persons Assessment' (CPA). This is also a two stage process consisting of a viability assessment and a full assessment. The possible outcomes of the viability assessment are:
- Carers are not viable and cannot proceed
  - Carers are viable and should be considered as Special Guardians under SGO arrangements which, if approved, will mean they acquire parental responsibility for the child who will then no longer be LAC
  - Carers are viable but the Local Authority needs to retain parental responsibility due to complexities or safeguarding concerns. In such cases, carers have to be assessed as kinship foster carers and the child will continue to be LAC.
- 4.9 The viability assessment is led by the Locality Team Social Worker but includes joint working with the Fostering Team Social Worker and the recommendation to progress or not, is made jointly. If the outcome is positive and leads to SGO, the Locality Social Worker completes the full assessment but if progressing to foster care, the Fostering Team completes the full assessment.



- 4.10 Whilst the involvement of the Fostering Team is vital in supporting the outcome and rationale for decision making, the impact of the increased workload means that less time is able to be devoted to recruitment, assessment and ongoing support of mainstream foster carers. There is a national shortage of foster carers meaning recruitment of new carers has to be a priority for Children's Services.
- 4.11 Once in proceedings, the courts in this LFJB region place excessive demands on Local Authority Social Workers and Solicitors. In addition, the majority of parents leave it until the proceedings are underway before identifying alternative carers which puts significant pressure on achieving the 26 week timescale.
- 4.12 Despite the PLO allowing 26 weeks for proceedings to conclude, the Designated Family Judge (DFJ) has driven the region to become the top performing in the UK, with the average length of proceedings dropping to between 23 and 24 weeks. This top performance comes at a cost for Social Workers and Lawyers who often report feeling overwhelmed by the demands of the courts and experiencing high levels of work related stress. In addition, the increased number of legal proceedings has impacted greatly on the level of administrative support required within legal services and as such an additional administrator is essential to manage the increased workload and time pressures which have arisen as a consequence.
- 4.13 Members are advised that in addition to the posts referred to in this report, due to capacity issues in Legal Services, an officer delegated decision has recently been made to use £43,000 from the Social Services reserves to fund a fixed term twelve month solicitor post.
- 4.14 It is important to note that Caerphilly has an excellent reputation within the region which is borne out by the fact that Service Managers and the Assistant Director (AD) are not routinely summonsed to court to give evidence. This provides a level of protection for Caerphilly practitioners and it is therefore vitally important that this position and reputation is maintained.

#### **Workload Management:**

- 4.15 The AD and Divisional Management Team continually quality assure all requests for children to become Looked After. The Division has introduced weekly multi agency Resource Panels where early intervention and prevention supports are identified in order to prevent escalation into statutory services. A monthly multi agency External Placements Panel, chaired by the AD, reviews all external placements including Independent Fostering Agency (IFA) and residential placements. In addition, placement activity data is reported to DMT on a weekly and monthly basis often leading to case audit and reviews.
- 4.16 Even with this level of oversight and scrutiny, it has been difficult to ascertain reasons for the increase in workload that has been experienced. There is no doubt that the Judiciary are driving changes in Social Work practice. For example, voluntary accommodation, where families agree for their child to be Looked After whilst assessments are completed, was often used as a support for families at times of crisis and although the child may be in care for several months, there were often good outcomes for families with children returning home successfully without legal orders. However, the Courts direct that any child who is accommodated for 16 weeks must be considered for legal proceedings. Similarly, children suffering unexplained injuries were often accommodated for short periods of time whilst medical assessments were completed. The DFJ has stated that all suspected and unknown Non Accidental Injuries (NAI's) must be issued on. This subjects families to higher levels of stress and anxiety and is leading to children being accommodated for longer periods than would previously have been necessary. These issues are raised by the AD at the periodic LFJB meetings with the Judiciary but changes have not been agreed.
- 4.17 As stated previously, the workloads across the teams have increased significantly and systems are straining to maintain performance in this critical area of Social Work practise.

## 5. WELL-BEING OF FUTURE GENERATIONS

5.1 The proposal contained within this report contributes to the Well-being Goals and the 5 ways of working in the context of strategy and vision, preventing problems occurring or getting worse and collaborating to meet agreed objectives. The proposal contributes to the following Well-Being Goals:

- Corporate planning
- Risk management
- Workforce planning
- Performance management
- Financial planning

## 6. EQUALITIES IMPLICATIONS

6.1 The Council's EIA process does not need to be applied in this matter.

## 7. FINANCIAL IMPLICATIONS

7.1 The essence of this report is the proposal to recruit additional staff in response to the workload pressures being experienced across Children's Services and Legal Services. As detailed at 2.1, the following posts are required and the costs (at top of scale and including on-costs) are:

- |  |          |
|--|----------|
| • 4 Grade 9 Qualified Social Workers @ £42,407 | £169,628 |
| • 1 Grade 5 Administrator @ £26,289            | £26,289  |
| • Travel and IT (tbc) costs                    | £10,000  |

**Total funding required: £205,917**

## 8. PERSONNEL IMPLICATIONS

8.1 If approved, HR recruitment and appointment processes will be followed. The proposal is based on fixed term appointments for an initial period of 12 months from the date of appointment. The arrangements will be reviewed during the period and further reports provided as appropriate.

## 9. CONSULTATIONS

9.1 The report reflects the views of the consultees.

## 10. RECOMMENDATIONS

10.1 Cabinet is requested to note the information and approve the use of Service Reserves to fund the additional posts for an initial 12 month period from date of appointment at a maximum cost of ££205,917.

## 11. REASONS FOR THE RECOMMENDATIONS

11.1 To ensure Cabinet are aware of the pressures being experienced in Children's Services and Legal Services and to address the need for additional resources.

## **12. STATUTORY POWER**

### 12.1 Social Services and Well Being (Wales) Act 2014.

Authors: Gareth Jenkins, Assistant Director – Children’s Services  
Gail Williams, Interim Head of Legal Services/Monitoring Officer

Consultees: Corporate Management Team  
Dave Street, Corporate Director – Social Services  
Steve Harris, Interim Head of Corporate Finance  
Social Services Senior Management Team

Gadewir y dudalen hon yn wag yn fwriadol



## CABINET – 19TH JULY 2017

**SUBJECT: REVIEW OF HOUSING SERVICE CHARGES**

**REPORT BY: ACTING DIRECTOR CORPORATE SERVICES AND SECTION 151 OFFICER**

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- 1.1 The attached report was presented to Caerphilly Homes Task Group on 6th July 2017 and Policy and Resources Scrutiny Committee on the 18th July 2016.
  - 1.2 The recommendations of the Caerphilly Homes Task Group and Policy and Resources Scrutiny Committee will be reported at the meeting.
  - 1.3 Members are asked to take account of the comments from Caerphilly Homes Task Group and Policy and Resources Scrutiny Committee when considering the recommendations contained therein.

Author: C. Evans, Committee Services Officer, Ext. 4210

Appendices:

- Appendix 1 Covering Report to Policy and Resources Scrutiny Committee – 18th July 2017  
Appendix 2 Review of Housing Service Charges Report to Caerphilly Homes Task Group – 6th July 2017

Gadewir y dudalen hon yn wag yn fwriadol



## **POLICY AND RESOURCES SCRUTINY COMMITTEE – 18TH JULY 2017**

**SUBJECT: REVIEW OF HOUSING SERVICE CHARGES**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151  
OFFICER**

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- 1.1 The report, which was provided to Caerphilly Homes Task Group (The Task Group) on 6th July 2017, sought the view of the Task Group on the review of how service charges are collected within Sheltered Housing and the need to review service charges for General Needs accommodation, prior to its presentation to Policy and Resources Scrutiny Committee and Cabinet.
- 1.2 The Task Group noted that the Housing (Wales) Act 2014 imposed a new duty for local authorities to comply with standards for housing quality, rents and service charges. Local Authorities are required to review the way in which charges for services are claimed to ensure that tenants are only charged for services that they receive. Detailed guidance has not been provided but it is required that service charges fairly reflect costs incurred and be transparent with a detailed breakdown provided to tenants so they can see what they are paying for.
- 1.3 The Authority currently recovers its costs for services it provides to tenants in sheltered housing schemes by smoothing the cost of these services between all tenants within all of the schemes. This is contrary to Welsh Government Policy. It is proposed that, in future, the Authority recovers from tenants the actual cost of providing services in their individual scheme, based on the calculated cost of providing the services in the previous financial year.
- 1.4 Most general needs service charges are not currently de-pooled and will not be considered in detail within this report, however, in order to comply with Welsh Government policy, a further report proposing the de-pooling of service charges for general needs tenants will be required.
- 1.5 The Task Group thanked the Officers for the report and raised queries in relation to the impact on tenants within Sheltered Housing Schemes and support for tenants. Officers explained that there may be a financial impact on some tenants, dependent on the services provided within that particular complex; however a cap would be applied for a 2 year period, which would be subject to review. Meetings have been conducted with tenants at all sheltered schemes to consult on the process, and further consultation and support would be provided, for example through various communications and Income Maximisation assessments, should tenants find affordability an issue. Officers re-iterated that, with the introduction of Universal Credits and the proposal to change funding mechanisms for supported accommodation, the proposal to provide a detailed breakdown of service charges will also enable the Authority to provide detailed evidence on actual costs of services received, thus assisting tenants to make successful claims for financial support.
- 1.6 Following consideration and discussion, it was moved and seconded that the recommendations 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 proposal to charge tenants of sheltered housing schemes the actual costs of providing them with services per scheme be approved;
- (ii) the proposal to introduce transitional arrangements for two years, prior to review, and to cap service charges in line with the rent policy during the transitional period be approved.

1.7 The Policy and Resources Scrutiny Committee are asked to consider the report and comments from the CHTG Prior to consideration by Cabinet.

Author: C. Evans, Committee Services Officer, Ext. 4210

Appendices:

Appendix 1 Report to Caerphilly Homes Task Group – 6th July 2017





## CAERPHILLY HOMES TASK GROUP – 6TH JULY 2017

**SUBJECT: REVIEW OF HOUSING SERVICE CHARGES**

**REPORT BY: CORPORATE DIRECTOR - COMMUNITIES**

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

- 1.1 To obtain the views of the Caerphilly Homes Task Group on the review of how service charges are collected within Sheltered Housing and the need to review service charges for General Needs accommodation, prior to its presentation to Policy and Resource Scrutiny Committee and Cabinet.

### **2. SUMMARY**

- 2.1 This report recommends the introduction of a fair and transparent system for recovering service charges from sheltered housing tenants for services provided.
- 2.2 The Housing (Wales) Act 2014 imposed a new duty for local housing authorities to comply with standards for housing quality, rents and service charges. Local authorities are required to review the way in which charges for services are claimed to ensure that tenants are only charged for services that they receive. Detailed guidance has not been provided but it is required that service charges fairly reflect costs incurred and be transparent with a detailed breakdown provided to tenants so they can see what they are paying for.
- 2.3 The Authority currently recovers its costs for services it provides to tenants in sheltered housing schemes by smoothing the cost of these services between all tenants within all of the schemes. This is contrary to Welsh Government policy. It is proposed that, in future, the Authority recovers from tenants the actual cost of providing services in their individual scheme, based on the calculated cost of providing the services in the previous financial year.
- 2.4 Most general needs service charges are not currently depooled and will not be considered in detail within this report, however, in order to comply with Welsh Government policy, a further report proposing the de-pooling of service charges for general needs tenants will be required.

### **3. LINKS TO STRATEGY**

- 3.1 The Single Integrated Plan 2013-2017 has a priority 'to improve standards of housing and communities, giving appropriate access to services across the County Borough'.
- 3.2 The Authority's Local Housing Strategy 'People, Property and Places' has the following aims:- 'To provide good quality, well managed homes in communities where people want to live and offer people housing choices which meet their needs and aspirations'.
- 3.3 The Wellbeing of Future Generations Act 2015 sets out the following wellbeing goals which link with the aims of this report:-

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

#### 4. GENERAL – SERVICE CHARGES

- 4.1 The Landlord & Tenant Act 1985 defines a service charge as: *‘An amount payable by a tenant of a dwelling as part of or in addition to the rent which is payable directly or indirectly for services, repairs, maintenance, improvements or insurance or the landlord’s costs of management and the whole or part of which varies or may vary according to the relevant costs.’* The Act also advises that services charges, provision of services and/or works, the standard of work and any payments in advance must be reasonable.
- 4.2 A service charge is a payment made by a tenant or leaseholder towards the cost of services and repairs beyond those specifically for their property. For example, for tenants living in a sheltered housing scheme with communal lounge facilities, the cost of providing the communal facilities is covered by a service charge because it is available to all residents of the scheme.
- 4.3 Charges can only be made for services currently being received. Tenants have to be consulted prior to the introduction of any new services. Services covered by such charges may include but are not limited to:
- Staff cover (including sickness/absences)
  - Management/administration charges
  - Employing a Community Environmental Warden
  - Grounds maintenance work
  - Cleaning costs e.g. communal areas
  - Internal/external improvements e.g. car parking
  - Decoration of communal areas
  - Building Managers Health & Safety maintenance checks, e.g. Fire safety, legionella
  - Utility costs
  - Installation, maintenance and/or repairs to:
    - Door entry systems
    - TV aerials
    - Internal, external and emergency lighting
    - White goods, communal furniture, fittings & equipment
    - Laundry services and drying areas
    - Lifts & communal adaptations
    - CCTV
- 4.4 Local authorities have historically included the cost of providing services in the rent charged to all tenants, regardless of whether all tenants receive the service. This pooled approach is easier for local authorities to administer than itemised charges but it is not fair and transparent for tenants. It can result in loss of revenue and some tenants paying for services they do not receive.
- 4.5 The costs of providing services to tenants of sheltered schemes have long been de-pooled from rents and service charged to sheltered housing tenants. Currently these service charges are based on historical actual costs that have been subject to agreed annual percentage increases for a number of years. The costs of all the services are combined and are smoothed across all tenants of all sheltered schemes irrespective of whether or not they receive all of the services. It is recognised that the combining and smoothing of service charges and the imposition of annual percentage increases do not accurately reflect actual annual costs,

resulting in the Authority subsidising any shortfalls.

- 4.6 Through service improvements and the current Welsh Housing Quality Standard (WHQS) sheltered housing programme of work, the Authority continues to seek ways of reducing service charges to tenants and promoting sustainability for the future, for example, energy efficiency initiatives, including improvements to heating systems, insulation and energy efficiency lighting.

## **5. SHELTERED HOUSING**

- 5.1 Sheltered Housing comprises groups of unfurnished units of accommodation (bungalows, flats or bedsits) designed to meet the needs of older people. The aim of sheltered housing is to enable older people to live as independently as possible with the added security of support from dedicated Sheltered Housing staff. It also gives residents the opportunity to make friends and to socialise through the use of communal facilities and activities. There are 34 sheltered housing schemes comprising of 987 units of sheltered housing in the Caerphilly Borough, 15 of these are under one roof and one is an 'extra care' scheme.
- 5.2 For the majority of Council tenants in sheltered housing, the cost of meeting most service charges is covered by housing benefit, either in part or in full. There are currently 215 sheltered tenants who are not in receipt of any housing benefit, with 710 tenants on part or full housing benefit. The findings of the recent UK government's 'Supported Housing Review' are potentially significant for the future funding of all types of supported housing in Wales. It is proposed that from April 2019 all tenants will receive Housing Benefit only up to the Local Housing Allowance limit. Any additional top-up funding required, such as that for service charges, will be devolved to Welsh Government. Arrangements are yet to be determined so there is still significant uncertainty and until these changes have been confirmed we are unable to accurately assess the potential impact on tenants of sheltered housing schemes.
- 5.3 Throughout the County Borough utility charges in sheltered accommodation have also been de-pooled. Utility charges for communal facilities in sheltered housing and for units of accommodation that do not have individual metering are smoothed across each specific scheme against actual usage and shown as a separate charge on the tenant's rent account. Notification is provided annually by letter to tenants at the end of August/beginning of September. Through the WHQS programme of works for sheltered accommodation we are continuing to increase the number of schemes with individual utility metering for units of accommodation which will further reduce incidences of smoothing.
- 5.4 As detailed in 4.5, other than utility charges, management services for sheltered housing tenants are combined and smoothed across the tenants of all sheltered housing schemes. These tenants do not get a breakdown of this service charge as it is detailed as one payment in addition to their rent charge on their rent account. For 16/17 all sheltered housing tenants were charged £23.49 per week. Point 4.3 above provides examples of services that are charged.
- 5.5 Many tenants have expressed frustration that they are not able to have a clear breakdown of their service charges to compare with the services that they receive.
- 5.6 It is recognised that smoothed charges can result in:
- Under and over charging of tenants across schemes
  - Tenants contributing towards a service they do not receive, and that may be neither available nor necessary within their scheme
  - Tenants being unaware that they are paying for a service
  - Services provided and the quality of services may not reflect the needs and aspirations of tenants
  - The cost to the landlord being unclear, with the possibility of under or over recovery of costs.

- Difficulty demonstrating that a particular service provides value for money

5.7 Basing charges on actual costs per scheme gives the opportunity to:

- Become more fair, transparent and equitable in our provision of services to tenants
- Better evidence the cost of provision of services
- Improve the quality of the services provided to tenants
- Increase levels of satisfaction of the tenants
- Consult tenants on individual service charges
- Become more responsive to the needs and aspirations of tenants within individual schemes
- Better support those tenants applying for, or in receipt of, Universal Credit

5.8 Extensive work has recently been undertaken to identify those services provided to individual sheltered schemes and the accurate expenditure costs of providing services to those who receive them. We have undertaken a cost analysis per scheme for the past two years. This has provided an actual cost per scheme which can be compared against the charges made to tenants to evidence not only the range of costs between schemes but also the level of subsidy funded within the service.

	<b>Weekly service charge to tenant</b>	<b>Lowest actual weekly cost</b>	<b>Highest actual weekly cost</b>	<b>Average weekly cost</b>	<b>Average weekly subsidy</b>	<b>Total subsidy per annum</b>
2014/15	22.58	22.34	48.74	29.66	7.08	326,926
2015/16	23.03	20.93	42.24	26.47	3.44	158,845

5.9 As can be seen in the table above the range of costs between schemes varies year on year depending on what is provided at each scheme and previous charges are not necessarily an indicator of charges for future years (e.g. cyclical refurbishments). The table demonstrates that actual costs have reduced by some 10% on average, but there is still a significant under-recovery of costs, as demonstrated by the levels of subsidy. This ranges from 31% in 2014/15 to 15% in 2015/16. The above costs per scheme are unlikely to accurately reflect the costs going forward, and it is difficult to predict with certainty what the likely impact for tenants each year is in advance.

5.10 It has been established that the Authority currently has the capacity to charge for services based on the actual costs incurred in the previous financial year. It has also been established that, as with utility charges, notification can be provided annually to tenants during August/September. The cost of the yearly service would be divided into equal amounts based on the number of rent collection weeks and the number of tenant households receiving the service.

5.11 As charges would be calculated on the actual costs of services provided for each sheltered scheme, these charges will vary for each scheme due to the variation in the size of the scheme, and the nature and number of services provided. This proposal would be a significant change in the approach to recovery of service charges. Whilst some tenants will benefit from a reduction in charges, it will also result in increased costs to tenants of some schemes.

5.12 As a preliminary forecast for charges in 2017/18, using the most up to date actual costs currently available (2015/16 costs rather than the 2016/17 costs which are not yet available) and the current service charge of £23.49, 72% of tenants could be subjected to an increase in service charges, with 28% having a reduction. The average tenant increase would be £3.89 with a potential maximum increase of £18.75 in one scheme. The average reduction would be £1.03 with maximum reduction of £3.99.

- 5.13 It is proposed that transitional arrangements will initially be introduced for two years following implementation of the changes, to assist existing tenants in adjusting to them, following which their continuation will be subject to review by officers. It is further proposed that during the transition period service charge increases will be capped so as not to exceed the agreed annual rent increase by more than £1, therefore, the maximum service charge for 2017/18 will be £27.35 per week, an increase of £3.86. It is also proposed that if capped charges within a scheme reach actual costs, the transitional arrangements for that scheme will end.
- 5.14 It is recognised that some tenants will be concerned about future affordability but there will be options available for tenants, in addition to practical support from officers in relation to income maximisation. This could include the possibility of a move to alternative accommodation with lower or no service charges, or a review of existing services that may result in a reduction in levels of services provided, subject to full consultation at the individual schemes. It may also be possible to meet any requests for enhanced services, albeit for an increased cost, for example to return to full time Sheltered Housing Officer cover.
- 5.15 As mentioned in 4.6 above, the sheltered housing WHQS programme is now underway so consideration is being actively given to improvements that have the potential to reduce service charges for tenants. Such initiatives could include new energy efficient heating systems, independent utility supplies and meters, review of laundry facilities, energy efficiency lighting and other efficiency measures.
- 5.16 A communication and information plan is in place for raising awareness in preparation for the implementation of any agreed changes following the service charge review. Sheltered Housing Officer awareness sessions have been completed and tenants meetings were held in February/March at each scheme. The meetings included a discussion around the service charges review to raise the awareness of tenants and to respond to any questions or concerns they may have. Feedback from tenants was largely positive and tenants welcomed the opportunity to have a breakdown of their service charges based on actual expenditure. There will be further communication to tenants through a range of media sources prior to implementation of any changes.
- 5.17 Tenants will not be able to opt out of paying any element of service charges for their scheme if they do not use a service, for example the laundry room, however, consultation with tenants for future service provision, such as the opportunity to receive enhanced or reduced services will be the standard approach for the future.

## **6. GENERAL NEEDS**

- 6.1 The term 'General Needs Housing' is used to describe housing for rent that is suitable for anyone over the age of 16 including single people, couples or families. In common with many other Local Authorities this Authority has traditionally included the cost of providing additional services to tenants of general needs accommodation in the rent charged to all tenants, regardless of whether or not they benefit from a particular service. Services commonly provided for general needs accommodation include but are not limited to:
- Installation, maintenance and repairs to door entry systems
  - Communal lighting
  - Cleaning of communal areas and employment of Community Environmental Wardens
  - Maintenance of grounds and communal facilities
- 6.2 This traditional approach to service charges is no longer considered to be acceptable moving forward, following the introduction of the Housing (Wales) Act 2014 as the current Welsh Government policy for social housing rents requires Local Authorities to disaggregate, or de-pool, service charges from rents. Also, whilst under current housing benefit regulations most service charges are covered by Housing Benefit, with the introduction of Universal Credit tenants are increasingly required to provide information on the breakdown of rents and service charges as part of their application for assistance. Authorities, therefore, need to separate and

show these costs.

For these reasons, and also for reasons of fairness and transparency, most stock retaining Local Authorities in Wales have now completed or are working towards the de-pooling of service charges across all of their accommodation.

- 6.3 The Authority has already begun to introduce service charges for new services provided to new tenants, and has also consulted with some existing tenants on the possibility of introducing service charges for new services, however, the introduction of service charges for existing tenants and services will be the subject of a future report to Members in the near future. As the introduction of service charges for existing tenants would require a review of the Tenancy Agreement it is currently planned to coincide this review with the review that will be required to implement the Renting Homes (Wales) Act 2016.

## 7. WELL-BEING OF FUTURE GENERATIONS

- 7.1 This report contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act in that:

**Long Term** – improving and future proofing our properties; providing affordable housing for tenants; providing a fair and transparent service to tenants

**Prevention** – providing well maintained, safe, warm and secure homes; preventing disrepair and promoting low maintenance for the future

**Integration** – improved standards of housing and community environments

**Collaboration** – joined up working arrangements within in-house teams and cost effective procurement arrangements

**Involvement** – tenant meetings, consultation and information updates to obtain the views of the residents

## 8. EQUALITIES IMPLICATIONS

- 8.1 An Equalities Impact Assessment is not needed as this report is recommending changes to the manner in which existing charges are calculated, therefore the Authority's full EIA process does not need to be applied.

## 9. FINANCIAL IMPLICATIONS

- 9.1 Despite a willingness to review the appropriateness and level of service charges within schemes there is a risk of an increase in the number of low demand properties and higher rent and service charge arrears.
- 9.2 There will be a reduction in the likelihood of under recovery of the costs of providing services and any requirement to subsidise the provision of some services.
- 9.3 The rationale for, and costs associated with, the provision or removal of any subsidy will be better evidenced.
- 9.4 The proposed transitional arrangements will lead to under recovery of costs from some existing tenants during the transitional period, resulting in a loss of income, necessitating subsidy of the service provision.

## **10. PERSONNEL IMPLICATIONS**

- 10.1 There will be resource implications for managing and administering the calculation and recovery of service charges based on actual costs.
- 10.2 Current service delivery will be affected if existing resources are unable to sustain the increased responsibilities. Any additional resources would be service charged to the tenants.

## **11. CONSULTATIONS**

- 11.1 All responses from consultees have been incorporated in the report.

## **12. RECOMMENDATIONS**

- 12.1 The Caerphilly Homes Task Group is asked to consider and give a view on the following recommendations which will be presented to Policy and resources Scrutiny Committee on the 18th July 2017:
- 12.2 The proposal to charge tenants of sheltered housing schemes the actual costs of providing them with services per scheme is approved.
- 12.3 The proposal to introduce transitional arrangements for two years, prior to review, and to cap service charges in line with the rent policy during the transitional period is approved.

## **13. REASONS FOR THE RECOMMENDATIONS**

- 13.1 To comply with Welsh Government rent setting policy.
- 13.2 To provide a fair and transparent system to tenants.
- 13.3 To provide assistance to those tenants most affected by any increase in charges while they adjust to the changes.

## **14. STATUTORY POWER**

- 14.1 Housing Act 1985
- 14.2 Landlord & Tenant Act 1985

Author: Fiona Wilkins, Public Sector Housing Manager  
Angela Hiscox, Older Persons Housing Manager

Consultees: Christina Harray, Corporate Director Communities  
Councillor David Poole, Leader of the Council  
Councillor Lisa Phipps, Cabinet Member for Homes and Places  
Shaun Couzens, Chief Housing Officer  
Stephen R Harris, Interim Head of Corporate Finance  
Nicole Scammel, Acting Director of Corporate Services S151  
Lesley Allen, Principal Accountant  
Karen Newton, Finance Officer  
Todd Rawson, Solicitor  
Sandra Isaacs, Rents Manager  
Mandy Betts, Tenant and Community Involvement Manager  
Debbie Bishop, Area Housing Manager

Julie Reynolds, Area Housing Manager  
Karen James, Neighbourhood Housing Manager  
Tracy Lundy, Neighbourhood Housing Manager  
Alyson Colman, Senior Sheltered Housing Team Leader





## CABINET – 19TH JULY 2017

**SUBJECT: VISIT WALES ERDF PROJECT - THE MONMOUTHSHIRE AND BRECON CANAL ADVENTURE TRIANGLE UPDATE**

**REPORT BY: CORPORATE DIRECTOR COMMUNITIES**

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### 1. PURPOSE OF REPORT

- 1.1 This report concentrates on the progress made since January 2016 in respect of the European Regional Development Fund (ERDF) capital infrastructure proposal – The “Monmouthshire and Brecon Canal Adventure Triangle”, which has been developed as a regionally prioritised destination management project and led by Visit Wales.
- 1.2 This proposal was first considered and endorsed by Cabinet on the 20<sup>th</sup> January 2016. However, the passage of time and ongoing discussions with Welsh Government (WG), Welsh European Funding Office (WEFO) and project partners Torfaen CBC and Visit Wales has highlighted the need to revise and refocus the scope of the Authority’s original project proposals and to revisit the Council’s match funding allocation to the project. Therefore, the proposal is resubmitted for Cabinet consideration.

### 2. SUMMARY

- 2.1 Visit Wales is leading on a regional project proposal for ERDF funding, entitled “Tourism Attractor Destinations”, which aims to “...*deliver a series of regionally prioritised strategic tourism infrastructure projects that will help raise the quality and perception of destinations in Wales and encourage business investment and employment growth within the tourism sector in the region*”.
- 2.2 The Destination Management Group (a regional group with representation from each of the SE Wales Local Authorities) has identified the Monmouthshire and Brecon Canal as one of the regional priority destinations. During the last 2 years officers from Caerphilly CBC and Torfaen CBC have collaborated to develop a suitable project proposal with Torfaen CBC acting as the lead partner. This proposal was considered and approved by Cabinet on 20<sup>th</sup> January 2016. ERDF approval has been awarded to Visit Wales for the umbrella regional operation. By working collaboratively with Visit Wales and Torfaen CBC, a joint project with total costs of approximately £4.56m overall has been developed, with the Caerphilly area elements totalling circa £2.026m.
- 2.3 The overall aims and objectives of the collaborative project remain as set out in the January 2016 Cabinet report, i.e. to enhance the tourism/leisure offer of Cwmcarn within the region and implement infrastructure improvements to the Canal. However, the scope of projects that that the Council will now seek to implement via the overall programme has changed and the Council’s match funding proposals need to be reviewed and reconfirmed. Revised project proposals for the CCBC and TCBC elements were submitted to Visit Wales by the 5<sup>th</sup> May deadline and the CCBC element now requires Cabinet approval before the project is formally approved by WEFO, particularly the revised scope and updated match funding requirement of the project. The report set outs the current funding position, including changes to anticipated capital funding availability that has been confirmed since May 2017.

- 2.4 In addition to submitting a detailed Business Plan to Visit Wales for the collaborative “Monmouthshire & Brecon Canal Adventure Triangle” project by the early May deadline, WG’s Regeneration Panel, comprising WG officers with technical, financial and regeneration expertise, will assess the project (date of which remains to be confirmed) to determine the request for award of Welsh Government Targeted Match Funding (TMF).
- 2.5 The updated financial implications are set out in Section 7 of this report and include the **anticipated** funding contributions from ERDF, Welsh Government TMF and Caerphilly County Borough Council, including recent changes to the Council’s core capital allocations which have been highlighted and confirmed during the consultation of this report.

### 3. LINKS TO STRATEGY

- 3.1 The Canal Action Plan has a positive impact upon the social, economic, cultural and environmental well-being of the area and the local community concerned. In particular the “Monmouthshire and Brecon Canal Adventure Triangle” project contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:
- A sustainable Wales
  - A prosperous Wales
  - A more equal Wales
  - A Wales of cohesive communities
  - A healthier Wales
  - A resilient Wales
- 3.2 The Action Plan and the “Monmouthshire and Brecon Canal Adventure Triangle” project form an integral element of a Destination Development Activity Hub in the eastern part of the County Borough, as identified in the Council’s emerging Destination Management Plan.
- 3.3 The aims and outputs of the Canal Action Plan contribute directly to the priorities and activities set out in “People, Business, Places”, Caerphilly’s Regeneration Strategy and Action Plan and also links directly to a number of priorities set out in “Caerphilly Delivers”, the Single Integrated Plan and Corporate priorities.

### 4. THE REPORT

#### Background

- 4.1 The regional Destination Management Group, with representation from each of the SE Wales Local Authorities, has identified three priority destinations for SE Wales, which have previously been endorsed by the South East Wales Directors of Environment and Regeneration (SEWDER) now the Cardiff Capital Region City Deal Programme Board:
- The Canal (being taken forward under the project title “The Monmouthshire and Brecon Canal Adventure Triangle”)
  - Rock UK (an outdoor activity centre in Bedlinog)
  - Porthcawl Harbour.
- 4.2 These destinations now form part of the umbrella Visit Wales regional Tourism Attractor Destination proposal. The three proposals have bid for a share of approximately £7m ERDF funding and a limited amount of Welsh Government Targeted Match Funding (TMF). By working collaboratively with Torfaen CBC (the lead partner for the “Canal Adventure Triangle” project), a joint project with total costs of approximately £4.56m overall has been developed, with the Caerphilly CBC project costs estimated at circa £2.026m, inclusive of the anticipated ERDF and Targeted Match Funding allocations.

- 4.3 The Caerphilly part of the revised “Canal Adventure Triangle” project focuses on the upper section of the Crumlin Arm of the Canal and retains the overall aims and objectives that were reported to Cabinet on the 20th January 2016 and subsequently to Regeneration and Environment Scrutiny Committee on the 28th June 2016, i.e. to enhance the tourism/leisure offer of Cwmcarn within the region and implement infrastructure improvements to the Canal.
- 4.4 The Welsh European Funding Office (WEFO), Welsh Government’s Regeneration Team and Visit Wales have pressed the Council and Torfaen CBC to finalise their list of projects within the Canal Adventure Triangle bid submission. The comprehensive business plan and financial profiling had a 5th May 2017 deadline for submission to Visit Wales to enable their officers to check the submission before engaging with WEFO over its contents. Due to the recently imposed submission dates and associated funding document obligations, both the Council and Torfaen have had to revisit and re-evaluate their original project proposals. The Council’s revised proposals are set out in Appendix 1 which also highlights the omissions and additions to the original project proposals set out in the January 2016 Cabinet report. Section 7.4 sets out the anticipated funding position at the time of the May 2017 submission and the current estimated allocations, which have since been revised downwards by circa £58,000. The variance is due to an unforeseen reduction in the available capital match funding for the project, which has become apparent during recent weeks. It is not anticipated that this variance will have a significant impact on the overall viability or deliverability of the project as Officers will seek to implement proposed project activities within the budgets available.

### **Revised Project Components**

- 4.5 Since reporting to Cabinet on the 20<sup>th</sup> January 2016 the scope of the Project over three main areas of intervention has remained the same for CCBC but a number of activities within these areas have been re-considered. The revised external funding bid therefore still focuses on the following three key areas:

- Canal Restoration Works – Direct improvements to the canal infrastructure
- Cwmcarn Forest Drive - Expanding and enforcing the current tourism offer at this facility
- Mynydd Maen / Twmbarlwm - Developing the physical links and key connections between Caerphilly and Torfaen over Mynydd Maen & Twmbarlwm

A comparative table of the components of the revised project is included as Appendix 1, the content of which is currently indicative and may evolve further through discussions and programme monitoring and reporting mechanisms with Visit Wales and WEFO. In the event of further changes to the scope of the revised projects referred to in Appendix 1, it is proposed that these are considered under the Scheme of Delegation by the relevant Head Of Service or Director in consultation with the relevant Cabinet Member.

The location of the collaborative project is shown on Appendix 3.

- 4.6 As the project has developed and the external funding landscape has changed, a review of the initial project scope has been necessary. There has been a slight shift in focus towards Cwmcarn because it presents the Council with more opportunities to achieve both visitor and economically focused outputs through a range of project elements.
- 4.7 As WEFO now insist that Business Plans can only be submitted when all constituent projects are at tender stage, the list of projects has been revised to reflect this requirement. A lack of internal financial resources aligned with capacity issues of in-house service providers has meant that there has been little opportunity to work towards traditional detailed design and tender packages. With such a tight deadline imposed by WG for submissions, officers have had to include projects that can be implemented under “design and build” contract methods to be able to achieve the imposed early May 2017 deadline. Torfaen CBC have undertaken similar activities in order to meet the revised milestone dates.

- 4.8 The revised project list focuses on projects that have measurable targets that align more closely with Visit Wales and WEFO's expected outputs. The revised suite of projects is more focused on economic outputs and will help to increase visitor numbers at the Cwmcarn Visitor Centre and wider area.
- 4.9 The Canal itself will still remain the focus of activity as Council's Engineering Projects Group (EPG) will continue to undertake improvement works along its course to ensure that the Canal remains in a fit state. Canal relining will form a core part of the works programme.
- 4.10 Increased emphasis is now given to developing Cwmcarn Forest Drive as a visitor attraction. The introduction of an outdoor adventure play space aligned to improvements around the lake will see more people attracted to the centre. Adding value to the existing mountain bike offer to interest a wider audience is also key, as is the development of new luxury cabin style accommodation to give the attraction a stronger accommodation offer. The latter will build on the recent successful "Invest to Save" internal funding bid made for three "glamping" camping cabins to be provided at Cwmcarn. It is intended that a further three units will be provided using ERDF funding. It is estimated that the ERDF funded accommodation units could generate a rental income of circa £25,000 per annum. However, there are specific Welsh Government and EU regulations relating to ERDF projects which generate an ongoing revenue income stream as outlined below in the Financial Implications section of this report.
- 4.11 The Mynydd Maen project components have not changed since the January 2016 Cabinet report and still focus on protecting the mountain; making it more accessible to users and attracting more visitors. The enhancements at Mynydd Maen provide strong physical links between the Torfaen area proposals and those being taken forward by the Council.

### **Outputs**

- 4.12 The core outputs of the original project have changed to reflect that there is now a sharper focus on economic outputs. The table in Appendix 2 outlines both the CCBC programme and Project specific outputs that were presented to Visit Wales in May 2017 as part of the overall business plan.

### **Match Funding**

- 4.13 The Council's 2016/17 activity on the canal to restore the Cwmcarn Aqueduct had previously been identified as a source of match funding in the January 2016 Cabinet report. However, this contract has now been progressed and is scheduled for completion in July 2017. Officers have been advised by Visit Wales that it would be preferable to not include the Cwmcarn Aqueduct restoration costs towards match funding due to unforeseen increases during implementation of the works contract. It has been recommended that the required match funding budget is found from the programmed Canal works that remain to be undertaken. It is therefore proposed to utilise the Council's core capital indicative allocation to the improvement of the Canal over the next three financial years (2017/18, 2018/19 and 2019/20) as the Council's main match funding element within the revised "Adventure Triangle" project.
- 4.14 The indicative three year allocation of £212k per annum would identify a maximum of £636k available to be used as Council match funding. However, not all of the allocation is available to be used as match funding due to:-
- (i) Funding of the increased outturn costs of the 2016/17 Cwmcarn Aqueduct project requires top-slicing of the 2017/18 capital allocation for the Canal by an estimated £62k.
  - (ii) WEFO's specific financial requirements regarding defrayment of expenditure has previously resulted in internal service providers being unable to fully recover their fee charges. This WEFO requirement would result in approximately 40% of the fees incurred by EPG over the life of the Canal Adventure Triangle project being classed as "ineligible" project expenditure. Total internal EPG fees over the duration of the project are estimated to be circa £81k of which 40% would be ineligible i.e. £32k.

Consequently, it is recommended that the Council's match-funding element should be revised from a maximum of £636k to circa £542k over the next three financial years. At the time of the May 2017 Business Plan submission it was anticipated up to circa £600k eligible funding would be available from the capital budget for the canal.

- 4.15 Cabinet on the 15<sup>th</sup> March 2017 approved an "Invest to Save" funding award for the introduction of three "glamping" camping units at Cwmcarn. The £124k funding award will help towards bolstering the accommodation offer at Cwmcarn and will also be used as match against the ERDF bid. As noted in para 4.10, it is estimated that the ERDF funded accommodation units could generate circa £25,000 rental income per annum the implications of which are outlined in the Financial Regulations section of this report. In addition, it is also proposed to utilise a total of £60k of the Council's core capital indicative allocation for Countryside over the next three financial years as match funding element within the revised "Adventure Triangle" project.
- 4.16 A decision is awaited from Welsh Government on the request for Targeted Match Funding (TMF). The availability of this funding remains a key risk for the overall project programme. If the TMF funding is not approved then alternative sources of match funding will need to be identified within a very short timeframe, potentially putting the viability and deliverability of the whole project at risk.
- 4.17 If the TMF is not forthcoming, it may prove a significant challenge for Torfaen CBC in particular to secure alternative sources of funding. Consideration would then have to be given to the following options:
- Continuing with the project based solely in Caerphilly County Borough, using other sources of funding as match (alternate funding sources have yet to be identified)
  - Continue the collaborative project through identifying alternative match funding for both of the Caerphilly and Torfaen elements.
- 4.18 Given that the majority of the project's economic outputs are in the Torfaen area, if that element does not proceed, there is a significant risk that the grant funding bodies may decide that the overall project should not progress. In the event of these changes being necessary at a later date, a further report will be provided to Cabinet.

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

- 5.1 This proposal contributes to the Well-being Goals as set out in Links to Strategy 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 wellbeing of the area.
- 5.2 As such it aligns with the following wellbeing goals:
- A Prosperous Wales – Providing a more attractive destination will increase visitor numbers and will create more wealth for the local population
  - A Resilient Wales – Providing additional and more diverse employment opportunities will make the area more resilient economically and ecologically, including protection of upland areas with benefits for wildlife and countryside management.
  - A More Equal Wales – presenting opportunities for all sectors of the population to access facilities and seek training or employment opportunities is at the heart of this project
  - A Wales of Cohesive Communities – providing local facilities will help to stabilise and develop local communities and prevent outmigration as people seek work. The project will help connect communities.
  - A healthier Wales – the existing range of outdoor activities will be extended and bolstered by the proposals within the project

- A Wales of vibrant culture and thriving Welsh Language – the proposals will contribute to the promotion and protection of heritage and culture, and encourage people to participate in new recreational activities
- A globally responsible Wales – the proposals will help sustain local habitats, protect the local environment and heritage, with benefits that will help address global concerns.

5.3 A long term approach to the economic wellbeing of the area will be taken to ensure that the Projects activities/components are targeted in a way that allows for long term growth of the leisure/tourism offer in this area. The Project aims to integrate with other public body's goals and aspirations including those of the Welsh Government through the Valleys Metro and Cardiff Capital Region City Deal measures.

## **6. EQUALITIES IMPLICATIONS**

- 6.1 Equalities is a cross cutting theme for EU funding and each project must address this according to each theme. The planned investments inherent in the EU Funding programmes will benefit many different groups in the community.
- 6.2 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.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 The proposal is currently for a three year project, commencing in 2017/18 financial year. The current indicative total funding allocation for the Caerphilly elements is £2.026m including a contribution for Caerphilly County Borough Council staffing. As noted in Section 4 of the report, the overall project funding allocation is currently expected to reduce by circa £58k in comparison to the position at the time of the May 2017 Business Plan submission. Cost variances are not uncommon within externally funded projects of this nature and officers will notify the appropriate funding organisation of this anticipated variance through the necessary reporting mechanisms set out by Visit Wales and WEFO. There will be opportunities to revise and, if required, update cost profiles during project implementation in collaboration with Torfaen CBC, Visit Wales and WEFO, to ensure expenditure and match funding profiles remain accurate, robust and within accepted tolerances.
- 7.2 The Council's core canal works capital allocation (adjusted for EPG ineligible fees) for 2017/18, 2018/19 and 2019/20 totalling circa £542k will be used for programmed improvement works along the northern part of the Canal and will be the main element of the Council's match-funding for the overall project. These works will be included as a distinct project within the Visit Wales submission. This approach enables the Council's obligations to maintain the Canal to be met, whilst at the same time allowing the monies dedicated to it to be identified as match funding to this wider programme of investment.
- 7.3 In addition, £60k of Capital funding, over the three financial years has been identified from the forward work plan as match funding by the Council's Countryside section over the course of the project, although it is hoped that this commitment will reduce as various external grant bodies are approached for additional funding.
- 7.4 The current anticipated CCBC funding profile, together the position at the time of the January 2016 Cabinet report and the May 2017 Business Plan, is shown in the table below.

Source of Funding	Anticipated Totals as January 2016 Cabinet Report	Anticipated Totals at May 2017 Business Plan Submission	Current Anticipated Totals	Variance May 2017 to Current Totals
CCBC Canal Maintenance Budget  (2015/16 and 2016/17)  (Currently 2017/18, 2018/19 and 2019/20 Adjusted for EPG ineligible fees)	£441,000	£600,000	£542,000	(£58,000)
Countryside Core Capital	£60,000	£60,000	£60,000	£0
CCBC Invest to Save award – Glamping Units (secured)	Not Applicable	£124,000	£124,000	£0
ERDF (indicative - to be secured)	£1,000,000	£1,142,143	£1,142,143	£0
WG Targeted Match Funding (to be secured)	£373,107	£157,600	£157,600	£0
<b>Total</b>	<b>£1,874,107</b>	<b>£2,083,743</b>	<b>£2,025,743</b>	<b>(£58,000)</b>

- 7.5 In addition to the project actions, improvements and outputs listed in Section 4, this represents significant added value to the Council investment as proposed. The £726k Council contribution will “lever in” circa £1.3m of external funding.
- 7.6 Discussions with WG are ongoing with respect the TMF bid. As noted in 4.17 and 4.18, in the event TMF is not approved, this may pose a significant risk to the viability of the project as a whole. The project may have to be further reduced in scope or may not proceed at all, if the resulting funding “gap” cannot be resolved.
- 7.7 The Project will be subject to specific EC regulations in relation to State Aid and Net Revenue Income Generation that will be clarified during the ongoing appraisal of the Business Plan. As elements of the Project are anticipated to generate net revenues (e.g. from the rental income of the provision of accommodation at Cwmcarn Forest) in due course the level of income will need to be monitored and periodically reported to WEFO. Activities that generate substantial levels of net revenue are at risk of a potential reduction or repayment of EU grant funding.
- 7.8 As a general principle, EC Revenue Generation regulations require that any net revenues or “profit” generated by project activities are re-invested back into the Project. Therefore, to comply with EC grant conditions and avoid potential grant clawback, any income generated from the hire of the additional Cwmcarn accommodation units or the project as a whole should be ring-fenced for reinvestment into the facilities delivered by the Project.

## 8. PERSONNEL IMPLICATIONS

- 8.1 In terms of staff required to deliver this project, most of the activity is anticipated to be carried out by existing staff within the various teams involved. The overall funding package includes an element of staff revenue costs which will help to support a number of existing posts in Regeneration, Finance and Engineering Divisions

- 8.2 The delivery of the Countryside led elements of the Mynydd Maen project will entail the creation of one new part-time post. This post would be 100% externally funded and be fixed term for the duration of the Project.

## **9. CONSULTATIONS**

- 9.1 Responses from consultees have been incorporated into the report.

## **10. RECOMMENDATION**

- 10.1 That Cabinet:-

10.1.1 Commits £542k of the Engineering budget indicatively allocated for canal improvement works in 2017/18, 2018/19 and 2019/20 as match funding for this proposal, on the basis that it is used to carry out canal restoration work that complements the wider Visit Wales Project submission.

10.1.2 Endorse the use of £60k of Countryside Services core Capital budget as match funding through the course of the 3 year project.

10.1.3 Notes and approves the indicative list of Revised Projects as set out in Appendix 1.

10.1.4 In the event of further changes to the scope of the revised projects referred to in Appendix 1, these are considered under the Scheme of Delegation by the relevant Head Of Service or Director in consultation with the relevant Cabinet Member.

## **11. REASONS FOR THE RECOMMENDATIONS**

11.1 To endorse the collaborative European bid for the Canal Adventure Triangle Project forwarded by Visit Wales for grant approval.

11.2 The Monmouthshire and Brecon Canal has been identified as a destination of regional significance and this project has been developed in partnership with Torfaen CBC. Without the CCBC financial contribution, it would not be possible to participate in the project as WEFO has indicated that it expects a local authority contribution.

11.3 In addition to the anticipated outputs, the return on Caerphilly County Borough Council's investment would be very significant at circa 178%. The project would maximise the value of our investment in maintaining the canal and might well reduce ongoing maintenance costs as a result. Moreover, Cwmcarn is a key tourist attraction and further investment will enhance the facility's sustainability moving forward.

## **12. STATUTORY POWER**

- 12.1 Local Government Act 2000.

Author: Allan Dallimore, Urban Renewal - Team Leader  
Consultees: Cllr Sean Morgan, Deputy Leader and Cabinet Member for Economy, Infrastructure, Sustainability & Wellbeing of Future Generations  
Christina Harrhy, Corporate Director Communities  
Dave Whetter, Interim Head of Regeneration  
Antony Bolter, Business Support & Funding Manager  
Paul Hudson, Marketing & Events Manager



Marcus Lloyd, Deputy Head of Programmes, Communities  
Kevin Kinsey, Acting Engineering Projects Group Manager  
Phil Griffiths, Acting Countryside Manager  
Michael Owen, Cwmcarn Forest Drive Project Manager  
Stephen Harris, Interim Head of Corporate Finance  
Lisa Lane, Corporate Solicitor  
Dave Roberts, Principal Accountant  
Mike Eedy, Finance Manager  
Liz Lucas, Head of Procurement  
Shaun Watkins, HR Manager

Background Papers:

Cabinet Report – 20<sup>th</sup> January 2016 “Visit Wales ERDF Projects – The Mon & Brec Canal Adventure Triangle”

Regeneration and Environment Scrutiny Committee Report - 28<sup>th</sup> June 2016 - “Monmouthshire & Brecon Canal Action Plan”

Appendices:

Appendix 1 - List of Revised Projects (Indicative)

Appendix 2 - List of Outputs

Appendix 3 - Project Site Map

Gadewir y dudalen hon yn wag yn fwriadol

## Appendix 1 – List of Revised Projects (Indicative)

### CAERPHILLY AREA PROJECT COMPONENTS

Cabinet Report January 2016 (Appendix 2)	Cabinet Report July 2017	Project Description	Removed /Retained/Additional
Activity / Project Title	Activity / Project Title		
Cwmcarn Forest Drive Entrance Enhancements	Cwmcarn Forest Drive Gateway Enhancements	Improvements to entrance to Cwmcarn Forest	<b><i>Removed</i></b>
Cwmcarn Aqueduct	Cwmcarn Aqueduct works	Works to improve aqueduct and make that section of canal navigable	<b><i>Removed</i></b>
Canal Route Landscape Enhancements & Recreational Spaces	Cwmcarn Canal Corridor landscaping	A series of small interventions to improve the environment along the canal route	<b><i>Removed</i></b>
Cwmcarn Turning Circle	Canal Turning Circle	Works to open up and re-instate turning circle at Cwmcarn	<b><i>Removed</i></b>
Zip Wire (Access to Adams Quarry)		Access improvements at Adams Quarry for proposed private sector Zip Wire facility.	<b><i>Removed</i></b>
Other Capital		Creation of new storage facility for canoe/bike equipment & Cycle Hire provision	<b><i>Removed</i></b>
Adventure Hub Facilities	Cwmcarn Adventure Hub	Adventure play equipment to be installed at CCBC owned site at Cwmcarn Forest aimed at increasing range of attractions and increasing dwell time of visitors.	<b>Retained</b>
Green Cycle Routes	Cross Country Cycle Routes	Commission consultants to develop a cross country cycle route to link two of the downhill trails. This will add value to the mountain bikers experience at Cwmcarn and open the attraction up to a wider audience.	<b>Retained / Expanded</b>
Cycle Route			
Forest Drive New Pit Wheel Car Park	Forest Drive Pit Wheel Car Park	Provide a small car park close to the Cwmcarn Forest lake to allow better access to facilities	<b>Retained</b>
Mynydd Maen Twmbarlwm Links	Suite of Mynydd Maen projects	CCBC Countryside Section will use in-house resources to deliver a	<b>Retained</b>

## Appendix 1 – List of Revised Projects (Indicative)

### CAERPHILLY AREA PROJECT COMPONENTS

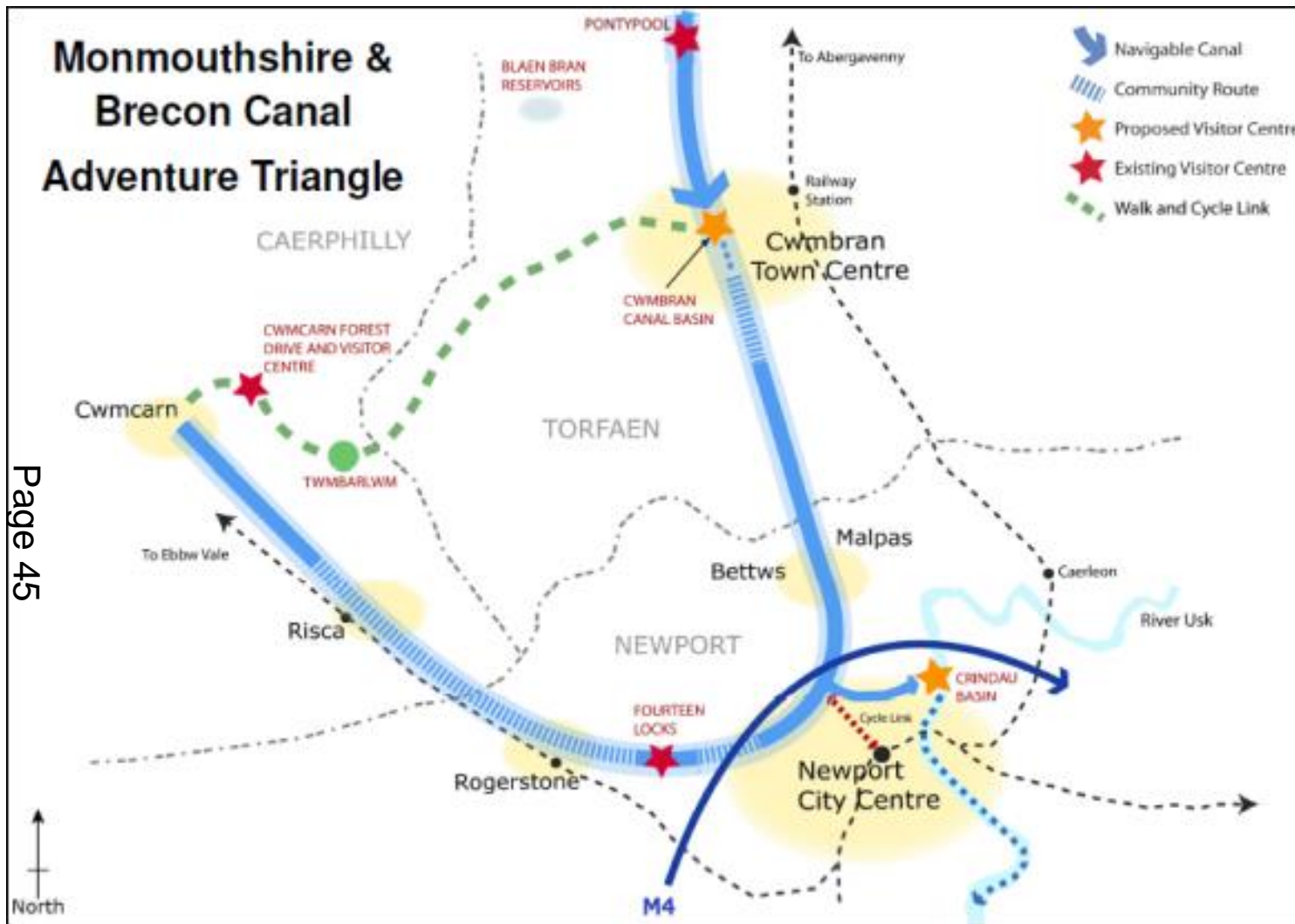
Cabinet Report January 2016 (Appendix 2)	Cabinet Report July 2017	Project Description	Removed /Retained/Additional
Activity / Project Title	Activity / Project Title		
		range of on the ground project elements aimed at protecting the mountain environment, encouraging biodiversity and creating better, more legible routes for those using this asset.	
Mynydd Maen			
Mynydd Maen Twmbarlwm Links			
Cwmcarn / Pontywaun	Canal Improvement and re-lining works	The works would ensure the longevity of the canal as a watercourse. Works would utilise indicative core CCBC budget over 2017/18, 2018/19 and 2019/290 financial years	<b>Retained and Expanded</b>
Additional Activity developed since Jan 2016	Cwmcarn Lake Enhancements	Improvement works to the infrastructure at the lake to make it more accessible to all (including those less well-abled) is the focus of this project element	<b>Addition</b>
Additional Activity developed since Jan 2016	Cabin accommodation	There is a focus on developing the accommodation capabilities at Cwmcarn Forest. The CCBC Destination and Events Manager is looking to “tap into” the glamping market by introducing cabin style accommodation at CCBC owned land at Cwmcarn.	<b>Addition</b>

## Appendix 2 – List of Outputs

<b>Programme Specific WEFO Outputs for Caerphilly Project Components</b>	<b>Anticipated Achievement</b>
Land Developed (HA)	11
Premises Created/refurbished (SQM)	134
Jobs Accommodated	1
Additional Tourism Visitors to Cwmcarn Forest Drive ( <i>*Cwmcarn Visitor Centre annual visitors 2016/17 was 213,461</i> )	10,000
<b>Other Project Specific Outputs</b>	<b>Anticipated Achievement</b>
Land Improved or Protected (HA)	1691
Number of SINC protected/improved	6
New Access Routes Created or Improved (KM)	5
Interpretation Implemented	6 panels
Number of Access Control measures implemented	3
Schools Engaged	3
Volunteers Trained	25
Length of Boundary Restored (M)	200
No. of Car Parks created or restored	1
Volunteer days p/a	90
No of DDA Projects	1
Number of recreational facilities created	3

Gadewir y dudalen hon yn wag yn fwriadol

Appendix (3)  
Project Site Map



Gadewir y dudalen hon yn wag yn fwiadol





## CABINET – 19TH JULY 2017

**SUBJECT: CABINET FORWARD WORK PROGRAMME**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151 OFFICER**

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### 1. PURPOSE OF REPORT

- 1.1 To seek Cabinet endorsement of the Forward Work Programme for the period July 2017 to December 2017.

### 2. SUMMARY

- 2.1 The report outlines a proposed Forward Work Programme of future Cabinet reports.
- 2.2 The Forward Work Programme is updated on a monthly basis to reflect any amendments that are made to it since it was first agreed on 22nd January 2014.

### 3. LINKS TO STRATEGY

- 3.1 The Council is required to publish a Cabinet Forward Work Programme to assist in open and transparent decision-making.
- 3.2 This section would highlight how the recommended course of action contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:
- *A more equal Wales*

### 4. THE REPORT

- 4.1 The Cabinet Forward Work Programme sets out the key reports that Cabinet expects to receive in the coming months. It is a legal requirement that such programmes are published. The programme is an important way of tracking progress against targets set in the Council's Improvement Plan.
- 4.2 Appendix 1 to this report sets out details of the Cabinet Forward Work Programme for the period July to December 2017.
- 4.3 It should be noted that urgent and unanticipated reports could be added to the Cabinet Work Programme.
- 4.4 Members will be aware that, following the Scrutiny review and recommendations approved by Council on 6th October 2015, that it was agreed that the format of the Forward Work Programme will be reviewed so that it gives more detailed narratives. This has been undertaken and presented at Appendix 1.

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

- 5.1 This report contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act in that it ensures that the Cabinet Forward Work Programme is regularly published and publically available, thus informing the public and stakeholders of upcoming reports and key issues and offering them the opportunity to attend and observe executive decisions, thus promoting openness and transparency.

## **6. EQUALITIES IMPLICATIONS**

- 6.1 The principles of good governance are directly linked to the Council's Strategic Equality Objectives, stemming from duties under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 and the Welsh Language (Wales) Measure 2011. Equalities Implications are a standard part of all committee reports in order to ensure that due consideration has been given to the views of individuals and groups from the communities of Caerphilly county borough, regardless of their backgrounds and circumstances.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 There are no financial implications associated with this report.

## **8. PERSONNEL IMPLICATIONS**

- 8.1 There are no personnel implications associated with this report.

## **9. CONSULTATIONS**

- 9.1 There are no consultation responses that have not been reflected in this report.

## **10. RECOMMENDATIONS**

- 10.1 It is recommended that Cabinet approve the Forward Work Programme as outlined in Appendix 1.

## **11. REASONS FOR THE RECOMMENDATIONS**

- 11.1 To satisfy legislative requirements and to ensure more transparent and effective decision-making.

## **12. STATUTORY POWER**

- 12.1 Local Government Acts 1972 and 2000.

Author: Cath Forbes-Thompson, Interim Head of Democratic Services  
Consultees: Corporate Management Team  
Gail Williams, Interim Head of Legal Services and Monitoring Officer

Appendices:  
Appendix 1 Cabinet Forward Work Programme

<b>CABINET FORWARD WORK PROGRAMME: JULY TO DECEMBER 2017</b>		
<b>19TH JULY 2017</b>	<b>Key Issues</b>	<b>Cabinet Member</b>
Corporate Risk Register	This report presents an updated version of the Council's Corporate Risk Register.	Councillor B. Jones
Visit Wales ERDF Projects - The Monmouthshire And Brecon Canal Adventure Triangle	<p>The report concentrates on the progress made since January 2016 in respect of the European Regional Development Fund (ERDF) capital infrastructure proposal - The Mon and Brecon Canal Adventure Triangle, that has been developed as a regionally prioritised destination management project.</p> <p>This proposal was first considered and endorsed by Cabinet on the 20th January 2016. However the passage of time and ongoing discussions with Welsh Government (WG), Welsh European Funding Office (WEFO), project partners Torfaen CBC along with Visit Wales has highlighted the need to revise and refocus the scope of the CCBC Council works in the original project proposal and to revisit the Council's match funding allocation to the project.</p>	Councillor S. Morgan
Housing Service Charges	To present to Cabinet proposals for revising how service charges in sheltered housing schemes are collected and to introduce WG requirements to de-pool service charges from rents for general needs tenants	Councillor L. Phipps
Request for Additional Resources in Response to Increased Demand Within Children's Services.	To provide Cabinet with contextual information to explain the increase in workload pressures across Children's Services Locality Teams, the Fostering Team and the Legal Team and to request Cabinet approval for the use of service reserves to fund additional posts on a time limited basis.	Councillor C. Cuss

<b>CABINET AS TRUSTEES OF BLACKWOOD MINERS INSTITUTE</b>		
<b>19TH JULY 2017</b>	<b>Key Issues</b>	<b>Cabinet Member</b>
Blackwood Miners' Institute progress report and update on 2017/2018 Budget	To update Cabinet as Trustees on progress against the activity programme and work plan for Blackwood Miners Institute for the current year.	Councillor S. Morgan
<b>2ND AUGUST 2017</b>	<b>Key Issues</b>	<b>Cabinet Member</b>
Wales Audit Office (WAO) Wales Housing Quality Standard Report		Councillor L. Phipps
<b>6TH SEPTEMBER 2017</b>	<b>Key Issues</b>	<b>Cabinet Member</b>
Caerphilly County Borough Council (Dog Control) Public Spaces Protection Order 2017		Councillor E. Stenner
Proposal for the Development of a Combined Sensory and Communication Service (SENCOM) Made Up of the Visual Impairment (VI) Service, Hearing Impairment (HI) Service and the Communication Intervention Team.	The report sets out the consultation and project group activities undertaken to scope and develop an action plan to combine the Visual Impairment Service, the Hearing Impairment Service and the Communication Intervention Team, under a single employer and governance structure operated by Torfaen CBC	Councillor P. Marsden
Write-Off of Debts over £20,000 – NNDR Arrears for Limited	The report will seek Cabinet approval to write-off National Non-Domestic Rates (NNDR) arrears for 2 Limited Companies.	Councillor B. Jones

Companies		
Write-Off of Debt over £20,000 – NNDR Arrears – EXEMPT	The report will seek Cabinet approval to write-off National Non-Domestic Rates (NNDR) Areas.	Councillor B. Jones

20TH SEPTEMBER 2017	Key Issues	Cabinet Member
Anti Money Laundering and Anti Fraud polices	To seek Cabinet approval of updated policies in relation to Anti Fraud, Bribery & Corruption and Anti Money Laundering.	Councillor B. Jones

4TH OCTOBER 2017	Key Issues	Cabinet Member
Speed Limit Review of A & B Class Roads Within Caerphilly County Borough	Following the issue of new speed limit guidance by Welsh Government, officers have carried out a review of all speed limits on A and B class roads within the Borough. This report provides the outcomes and recommendations from the review.	Councillor S. Morgan
Active Travel Integrated Network Map	The Cabinet report will seek endorsement of the Active Travel Integrated Network Map prior to submission to the Welsh Government in November 2017 in order to meet the Council's statutory obligations.	Councillor S. Morgan
Sport and Leisure Services – A strategy for the future	the report seeks to summarise the work undertaken over the last 12-18 months in relation to an emerging sport and leisure strategy for the authority and seeks cabinet agreement in relation to the detailed parts of the strategy which will lead to its formal adoption.	Councillor N. George
The Management of Trees	To seek the approval of Cabinet to formally adopt a Tree Strategy, following consideration at Scrutiny Committee.	Councillor E. Stenner
Annual Performance Report 2016/17	The Annual Performance Report is a statutory requirement and an important part of the Council's Performance Framework. The Council is required to assess its	Councillor B. Jones

	own performance and provide the public with a balanced picture of that performance. In addition, the report must also show how the Council performed against the Well-being Objectives.	
Air Quality Action Plan		Councillor E. Stenner

<b>15TH NOVEMBER 2017</b>	<b>Key Issues</b>	<b>Cabinet Member</b>
Welsh Government Collaborative Change Programme (CCP) – Review of Waste Management Service Provision.	the report seeks to update Cabinet on the outcome of the CCP modelling process that has been undertaken and to seek the approval of cabinet in relation to the structure of future waste management service provision across the County Borough.	Councillor E. Stenner

<b>29TH NOVEMBER 2017</b>	<b>Key Issues</b>	<b>Cabinet Member</b>
Sheltered Housing Schemes – Eastern Valleys Area Remodelling		Councillor L. Phipps

<b>13TH DECEMBER 2017</b>	<b>Key Issues</b>	<b>Cabinet Member</b>
Council Tax Base	The report provides details of the Council Tax base for 2018/19 for tax setting purposes and the collection percentage to be applied.	Councillor B. Jones