

# 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 Amy Dredge  
(Rhif Ffôn: 01443 863100 Ebst: [dredge@caerphilly.gov.uk](mailto:dredge@caerphilly.gov.uk))

**Dyddiad: Dydd Mercher, 12 Medi 2018**

Annwyl Syr/Fadam,

Bydd cyfarfod **Cabinet** yn cael ei gynnal yn **Ystafell Sirhywi, Tŷ Penallta, Tredomen, Ystrad Mynach ar Dydd Mercher, 19eg Medi, 2018 am 10.30 am**. i ystyried materion a gynhwysir yn yr agenda canlynol. Gall cynghorwyr a'r cyhoedd sy'n dymuno siarad am unrhyw eitem wneud hynny drwy wneud cais i'r Cadeirydd. Mae croeso i chi hefyd ddefnyddio'r Gymraeg yn y cyfarfod. Mae'r ddau gais hyn yn gofyn am gyfnod rhybudd o 3 diwrnod gwaith, a bydd cyfieithu ar y pryd yn cael ei ddarparu os gofynnir amdano.

Mae pob cyfarfod Pwyllgor yn agored i'r Wasg a'r Cyhoedd. Gofynnir i arsylwyr a chyfranogwyr ymddwyn gyda pharch ac ystyriaeth at eraill. Sylwer y bydd methu â gwneud hynny yn golygu y gofynnir i chi adael y cyfarfodydd ac efallai y cewch eich hebrwng o'r safle.

Yr eiddoch yn gywir,

**Christina Harrhy**  
PRIF WEITHREDWR DROS DRO

## AGENDA

Tudalennau

1 I dderbyn ymddiheuriadau am absenoldeb

A greener place Man gwyrddach



2 Datganiadau o Ddiddordeb.

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

3 Blaenraglen Waith y Cabinet.

1 - 8

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

- |   |   |         |
|---|---|---------|
| 4 | Canlyniad yr Ymgynghoriad mewn perthynas â Chynigion i gynyddu Prisiau Cludiant Cerbydau Hacni. | 9 - 22  |
| 5 | I Fabwysiadu 'Cynllun Rhyddhad Ardrethi Y Stryd Fawr' Llywodraeth Cymru 2018/19 - Cyllid Grant. | 23 - 50 |
| 6 | Strategaeth Cerbydau Trydan a Chynllun Gweithredu.  | 51 - 76 |
| 7 | Eithriad TAW ar Gyflenwad Gwasanaethau Chwaraeon.   | 77 - 80 |

**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.

**SUT FYDDWN YN DEFNYDDIO EICH GWYBODAETH**

Bydd yr unigolion hynny sy'n mynychu cyfarfodydd pwyllgor i siarad/roi tystiolaeth yn cael eu henwi yng nghofnodion y cyfarfod hynny, weithiau bydd hyn yn cynnwys eu man gweithio neu fusnes a'r barnau a fynegir. Bydd cofnodion o'r cyfarfod gan gynnwys manylion y siaradwyr ar gael i'r cyhoedd ar wefan y Cyngor ar [www.caerffili.gov.uk](http://www.caerffili.gov.uk). ac eithrio am drafodaethau sy'n ymwneud ag eitemau cyfrinachol neu eithriedig.

Mae gennych nifer o hawliau mewn perthynas â'r wybodaeth, gan gynnwys yr hawl i gael mynediad at wybodaeth sydd gennym amdanoch a'r hawl i gwyno os ydych yn anhapus gyda'r modd y mae eich gwybodaeth yn cael ei brosesu. Am wybodaeth bellach ar sut rydym yn prosesu eich gwybodaeth a'ch hawliau, ewch i'r Hysbysiad Preifatrwydd Cyfarfodydd Pwyllgor Llawn ar ein gwefan <http://www.caerffili.gov.uk/Pwyllgor/Preifatrwydd> neu cysylltwch â Gwasanaethau Cyfreithiol drwy e-bostio [griffd2@caerffili.gov.uk](mailto:griffd2@caerffili.gov.uk) neu ffoniwch 01443 863028.



## CABINET –19TH SEPTEMBER 2018

**SUBJECT: CABINET FORWARD WORK PROGRAMME**

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

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### 1. PURPOSE OF REPORT

- 1.1 To seek Cabinet endorsement of the Forward Work Programme for the period September 2018 to July 2019.

### 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 weekly 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 September 2018 to July 2019.
- 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

Appendices:  
Appendix 1 Cabinet Forward Work Programme

## Cabinet Forward Work Programme (Presented to Cabinet) Appendix 1

19TH SEPTEMBER 2018	Key Issues	Service Area
Hackney Carriage Fare Increase/Amendment.	To advise Cabinet of the Consultation Response.	Councillor E. Stenner
To Adopt The WG High Street Rate Relief Scheme 2018/19 – Grant Funding.	This report recommends that Cabinet adopts the WG High Street Rate Relief Scheme for 2018/19 in order to obtain the WG grant funding which will reduce the amount of business rates payable by those ratepayers eligible for this rate relief.	Councillor B. Jones
Electric Vehicle Strategy and Action Plan Report.	To present to cabinet the Authority's Electric Vehicle Strategy and Action Plan to seek their views and approval.	Councillor E. Stenner
VAT Exemption on the Supply of Sporting Services.	The report will provide Cabinet with details of a VAT exemption on sporting services and will seek approval to implement the exemption with effect from the 1st October 2018.	Councillor B. Jones

3RD OCTOBER 2018	Key Issues	Service Area
Council's Annual Report for 2017/18.	To present to Cabinet the Authority's Annual Self-Assessment for 2017/18 to seek the views and approval prior to publication by 30th October 2018.	Councillor E. Stenner
Strategy for the disposal of selected Land with Residential Development potential.	The report seeks Cabinet approval for the strategy for the disposal of five key medium to large parcels of land all of which are suitable for residential re-development.	Councillor L. Phipps
Strategic Equality Plan – Annual Monitoring and Improvement Report 2017-2018.	To update Members on the progress made during the financial year 2017/18 against targets in the Council's current Strategic Equality Plan and seek Cabinet approval for submission of the annual monitoring and improvement reports to the relevant commissions before the deadline dates.	Councillor E. Stenner
Fields in Trust - Centenary Fields programme.	To seek the views of Cabinet on the formal dedication of the War Memorial Garden at Cwmfelinfach as part of the Fields in Trust, Centenary Fields programme.	Councillor E. Stenner
Air Quality Options Appraisal.	To update members on the feasibility process for Hafod-yr-ynys and to discuss the potential options going forward for consideration and seek Cabinet approval to submit the required WeITAG Stage 2 report (containing those options) to Welsh Government.	Councillor E. Stenner
21st Century Schools		Councillor B. Jones
Electric Vehicles and Charging Facilities Report.	To provide Cabinet with proposals to deliver some of the actions identified within the CCBC Electric Vehicle Strategy Action Plan and to request funding to deliver these proposals.	Councillor E. Stenner

Cabinet Forward Work Programme  
(Presented to Cabinet) Appendix 1

17TH OCTOBER 2018	Key Issues	Service Area
Domiciliary Care Report.		Councillor C. Cuss
Children's Centre		Councillor C. Cuss
Recovery of Fly Tipping Clean Up Costs.	To consider a proposal that the Council takes steps to recover the costs of fly tipping against perpetrators of fly tipping incidents on Council land.	Councillor E. Stenner
Public Services Board		Councillor E. Stenner

CABINET AS TRUSTEES OF BLACKWOOD MINERS' INSTITUTE – 17TH OCTOBER 2018	Key Issues	Service Area

31ST OCTOBER 2018	Key Issues	Service Area

14TH NOVEMBER 2018	Key Issues	Service Area
Draft Sport and Active Recreation Strategy 2019-29	To seek Cabinet's endorsement of the Draft Sport and Leisure Strategy.	Councillor E. Stenner
Draft Budget Proposals for 2019/20	This report will seek Cabinet endorsement of draft budget proposals for the 2019/20 financial year based on the Provisional Local Government Financial Settlement. This will then allow for a period of consultation prior to consideration of final 2019/20 budget proposals by Cabinet and Council in February 2019.	Councillor B. Jones
Public Toilet Strategy		Councillor E. Stenner
Grants 18/19 Overview – Regeneration.	This Report provides an evaluation of the current Regeneration Department's grant schemes and seeks Cabinet approval to combine the grants into a single " <b>Caerphilly Enterprise Fund</b> " with a refocus towards offering improved support to start-up businesses, stimulating economic growth, filling identified supply chain voids and	Councillor E. Stenner

Cabinet Forward Work Programme  
(Presented to Cabinet) Appendix 1

	supporting job creation.	
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28TH NOVEMBER 2018	Key Issues	Service Area
Whole Authority Mid-Year Revenue Budget Monitoring Report 2018/19	The report will provide details of projected Whole-Authority revenue expenditure for the 2018/19 financial year along with details of any significant issues arising. The report will also update Cabinet on progress in delivering the approved savings for 2018/19.	Councillor B. Jones
Town Centre Events Programme.	To seek Cabinet approval for revision of the Council's current Town Centre Management model.	Councillor B. Jones
Future Lighting and Energy Saving Proposals.	To consider options available to achieve street lighting energy savings that could contribute to the Medium Term Financial Plan and mitigate energy cost increases.	Councillor S. Morgan

12TH DECEMBER 2018	Key Issues	Service Area
Council Tax Base 2019/20	The report provides details of the Council Tax base for 2019/20 for tax setting purposes and the collection percentage to be applied.	Councillor B. Jones

16TH JANUARY 2019	Key Issues	Service Area
Ystrad Mynach Masterplan		Councillor E. Stenner

CABINET AS TRUSTEES OF BLACKWOOD MINERS' INSTITUTE – 16TH JANUARY 2019	Key Issues	Service Area
Annual Report and Statement of Accounts for 2017/20.		Councillor S. Morgan

30TH JANUARY 2019	Key Issues	Service Area
Corporate Risk Register.	To provide an update of the Corporate Risk Register in accordance with the Council's Risk Management Strategy. The updated Corporate Risk Register (CRR) is presented to Audit Committee so there is opportunity for the Committee to satisfy itself that appropriate arrangements are in place for the council's risk management processes to be regularly and robustly monitored and scrutinised.	Councillor E. Stenner

Cabinet Forward Work Programme  
 (Presented to Cabinet) Appendix 1

Update on Reserves	To present details of the usable reserves held by the Authority and to outline proposals for the use of reserves in some areas.	Councillor B. Jones
Housing Revenue Account Charges 2019/20.	To present details of proposed increases in rent charges for the 2019/20 financial year.	Councillor B. Jones

<b>13TH FEBRUARY 2019</b>	<b>Key Issues</b>	<b>Service Area</b>
Budget Proposals 2019/20 and Medium-Term Financial Strategy 2019/2024.	This report will seek Cabinet endorsement of final budget proposals for the 2019/20 financial year prior to them being presented to Council on the 21st February 2019.	Councillor B. Jones

<b>27TH FEBRUARY 2019</b>	<b>Key Issues</b>	<b>Service Area</b>

<b>13TH MARCH 2019</b>	<b>Key Issues</b>	<b>Service Area</b>

<b>27TH MARCH 2019</b>	<b>Key Issues</b>	<b>Service Area</b>

<b>10TH APRIL 2019</b>	<b>Key Issues</b>	<b>Service Area</b>

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Cabinet Forward Work Programme  
 (Presented to Cabinet) Appendix 1

CABINET AS TRUSTEES OF BLACKWOOD MINERS' INSTITUTE – 10TH APRIL 2019	Key Issues	Service Area

24TH APRIL 2019	Key Issues	Service Area

15TH MAY 2019	Key Issues	Service Area

29TH MAY 2019	Key Issues	Service Area

12TH JUNE 2019	Key Issues	Service Area

26TH JUNE 2019	Key Issues	Service Area

10TH JULY 2019	Key Issues	Service Area

Cabinet Forward Work Programme  
 (Presented to Cabinet) Appendix 1

CABINET AS TRUSTEES OF BLACKWOOD MINERS' INSTITUTE – 10TH JULY 2018	Key Issues	Service Area

24TH JULY 2019	Key Issues	Service Area



## CABINET - 19TH SEPTEMBER 2018

**SUBJECT: OUTCOME OF CONSULTATION IN RESPECT OF PROPOSALS TO INCREASE HACKNEY CARRIAGE FARE TARIFFS**

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

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### 1. PURPOSE OF REPORT

- 1.1 To consider any objections received from the statutory consultation on the proposed tariff of fares and approve the fare tariff with or without modification and the date it comes into effect.

### 2. SUMMARY

- 2.1 The Tariff of fares for Hackney Carriages has been reviewed in response to requests received from the licensed trade. Reports were considered previously by the Taxi and General Licensing Committee and Cabinet. On the 25<sup>th</sup> of July Cabinet approved a draft tariff for publication and statutory consultation. The result of the consultation exercise is detailed below.

### 3. LINKS TO STRATEGY

- 3.1 The review of the Hackney Carriage Fare Tariff contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:
- A prosperous Wales
  - A resilient Wales
  - A more equal Wales

### 4. THE REPORT

- 4.1 In accordance with Section 65 of the Local Government (Miscellaneous Provisions) Act 1976, a local authority may fix and vary the rates or fares within their district and all other charges in connection with the hire of a hackney carriage. Prior to bringing into force any changes, the authority must publicise its proposals in the local press for a period of fourteen days to allow for any objections.

A report on amendments to the Tariff of Fares was considered by Cabinet on the 25<sup>th</sup> July 2018 and approval given for the statutory publication of the proposed new tariff as set out in Appendix A for a 14 day consultation period. Cabinet were also informed that following the consultation if no objections were received, the fare tariff would come into effect immediately. If any objections were received that Cabinet would receive a further report to consider these and to approve the fare tariff with or without modification and the date upon this should come into effect.

- 4.2 An advertisement detailing the public consultation was placed in the Western Mail newspaper on the 4<sup>th</sup> August 2018 and a notice displayed at the council offices at Ty Penallta, Ystrad Mynach. A letter was sent to all licensed drivers in the borough and a press release issued and information posted on the council's corporate website. In line with the Equality Impact Assessment officers also e-mailed groups representing those with protected characteristics namely Caerphilly County Borough Access Group, Disability Can Do and the 50plus forum notifying them of the consultation.
- 4.3 Prior to the expiry of the consultation period on the 17<sup>th</sup> August 2018, one formal objection was received to the proposed increase. A copy of the objection is reproduced as Appendix B. Members will note that the resposdee primarily objected to the times of operation of the tariffs i.e 7am-7pm for tariff 1 and 7pm-7am for tariff 2. The resposdee suggested that the tariff times should be applicable between 6am to 10pm (tariff1) and 10pm to 6am (tariff2) but did not expand on the reasons for his suggestion. An additional comment on Tariff 2 and 7pm - 7am time period was also received via Social Media, this individual was directed to the formal mechanism to register any objection; however no further contact was received.
- 4.4 The Equalities Impact Assessment (EIA) has been updated following the consultation undertaken. A copy of the EIA is reproduced as Appendix C.
- 4.5 Cabinet are requested to consider the wide scale consultation undertaken, the low levels of representations received and approve a tariff with or without modification and the date it comes into force.

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

- 5.1 The review of the Tariff of Fares contributes to the Well-being Goals as set out in Links to Strategy above. They are consistent with the five ways of working as defined within the sustainable development principle in the Act. There is an emphasis on prevention and public protection as the tariff setting process establishes a maximum standard charge applicable to all hackney carriages. There is also involvement particularly through the consultation process for the trade and general public to submit proposed amendments to the tariff.

## **6. EQUALITIES IMPLICATIONS**

- 6.1 An EIA screening was completed in accordance with the Council's Strategic Equality Plan and supplementary guidance and some potential negative impacts were identified affecting one or more of the target groups. A full EIA was carried out and has been updated to reflect the statutory consultation and objections received. The amended EIA is attached as Appendix C.
- 6.2 Increasing the tariff of fares will impact on the travelling public and in particular on those groups that use Hackney carriages more often as detailed in the EIA. The increase is believed to be moderate and if implemented Tariff 2 will not apply until 7pm thus not impacting on day time travel. The taxi trade also have to earn a living and the current tariff is below the regional and national average and has not increased since 2010. Running costs have increased since that time and so in summary the conclusion is that the tariff should be amended and that an increase is overdue.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 None.

## **8. PERSONNEL IMPLICATIONS**

- 8.1 None.

## **9. CONSULTATION**

- 9.1 This report has been sent to the Consultees listed below and all comments received are reflected in this report.
- 9.2 Details of the statutory consultation and responses, objections received are detailed in 4.2 and 4.3 above.

## **10. RECOMMENDATIONS**

- 10.1 That Cabinet approve the implementation of the tariff as detailed in Appendix A with an effective date of the 25<sup>th</sup> September 2018.

## **11. REASONS FOR RECOMMENDATION**

- 11.1 To bring into force amendments to the hackney carriage vehicle fare tariff following statutory consultation. This is an Executive function.

## **12. STATUTORY POWER**

- 12.1 Local Government (Miscellaneous Provisions) Act 1976.

Author: Lee Morgan, Licensing Manager.  
Consultees: Cllr Eluned Stenner, Cabinet Member for Environment and Public Protection  
Mark S. Williams, Interim Corporate Director Communities  
Rob Hartshorn, Head of Public Protection, Community & Leisure Services.  
Robert Tranter, Head of Legal Services and Monitoring Officer  
Jacqui Morgan, Trading Standards, Licensing & Registrars Manager  
Lisa Lane, Corporate Solicitor  
James Williams, Senior Solicitor  
Anwen Cullinane, Senior Policy Officer (Equalities and Welsh Language)  
Shaun Watkins, HR Manager  
Mike Eedy, Finance Manager

### Background Papers:

Cabinet Report Proposal to increase Hackney Carriage Fare Tariffs 25<sup>th</sup> July 2018  
Taxi and General Licensing Sub Committee Report 21<sup>st</sup> June 2018

### Appendices:

Appendix A – Proposed New Tariff  
Appendix B – A copy of the objection received  
Appendix C – Amended EIA

<b>CAERPHILLY COUNTY BOROUGH COUNCIL CYNGOR BWRDEISTREF SIROL CAERFFILI FARES FOR HACKNEY CARRIAGES</b>	
<b>TARIFF 1</b> (1-4 passengers for hiring begun between 7.00 am & 7.00pm)	
For the first mile or part thereof	£3.40
For each subsequent 1/20 <sup>th</sup> of a mile or part thereof	10p
<b>TARIFF 2</b> (1-4 passengers for hiring begun between 7.00pm & 7.00 am)	
For the first mile or part thereof	£3.90
For each subsequent 1/22 <sup>th</sup> of a mile or part thereof	10p
<b>TARIFF 3</b> (1-4 passengers for hiring on Bank & Public Holidays and 5-8 passengers for hiring at all times)	
For the first mile or part thereof.	£4.90
For each subsequent 1/22 <sup>nd</sup> of a mile or part thereof	15p
<b>TARIFF 4</b> (1-4 passengers for hiring between 7.00 pm Christmas Eve and 7.00 am on 27th December and between 7.00 pm New Years Eve and 7.00 am on 2nd January only)	
For the first mile or part thereof	£6.40
For each subsequent 1/20 <sup>th</sup> of a mile or part thereof	20p
<b>TARIFF 5</b> (5-8 passengers for hiring between 7.00 pm Christmas Eve and 7.00 am on 27 <sup>th</sup> December and between 7.00 pm New Years Eve and 7.00 am on 2 <sup>nd</sup> January only)	
For the first mile or part thereof	£9.40
For each subsequent 1/20 <sup>th</sup> of a mile or part thereof	30p
<b>WAITING TIME</b> (Incorporated in each of the above Tariffs)	
For each period of 30 seconds or uncompleted part thereof	10p
<b>EXTRA CHARGES</b>	
N/A incorporated in Tariffs 3 & 5	
Animals carried at the driver's discretion (except guide, hearing & other assistance dogs which will be carried free of charge)	50p each
Contamination fee for fouling of the vehicle	£150.00
<b>JOURNEYS OUTSIDE CAERPHILLY COUNTY BOROUGH</b>	
Fares for journeys ending outside the area of the Caerphilly County Borough and in respect of which no fare or rate of fare was agreed before the hiring was effected, must not exceed the authorised fare scale as shown above	
Dated this <sup>n</sup> day of 2018	
MR. R. HARTSHORN	
Head of Public Protection	

**Extract of email communications detailing objection received on 8<sup>th</sup> of August from a licensed driver.**

**Initial objection**

*To Mr Lee Morgan. I contact you with reference to your letter dated 31st July 2018.*

*I object to the time changes proposed. Tariff 1 should be 6.00am to 10.00pm not 7.00am to 7.00pm*

*Tariff 2 should be 10.00pm to 06.00am*

*Tariff 3 Please clarify start and end times for bank holidays.*

*Tariff 4 should be 7.00pm Christmas eve through to 06.00am 27th December with the same times applied to new year's.*

*Tariff 5 the times to match as tariff 4 for festive period.*

*I see no tariff for hiring 5 – 8 passengers for Bank and public holidays.*

*I look forward to your reply.*

*Regards*

**Clarification Response**

I acknowledge receipt of your objection and note your comments following your e-mail below.

To clarify - Tariff 3 would take effect from midnight (0.00hrs – until 23.59 hrs) on a bank holiday. This rate is also applicable to 5-8 seater vehicles at all times. (This reflects the current position)

The Consultation period will end on the 17th August 2018. Should you maintain your comments, then Cabinet will consider them and any others received at a meeting likely to be held in September.

Regards

Lee Morgan  
Licensing Manager

Further email from objector

*Dear Mr Morgan I thank you for your reply. Perhaps you may consider highlighting the bank holiday times on the tariff card and also give some consideration to a 5 – 8 passenger tariff for a bank holiday. I look forward to you presenting all that I have mentioned to the cabinet in September.*

# EQUALITY IMPACT ASSESSMENT FORM

April 2016

## THE COUNCIL'S EQUALITIES STATEMENT

This Council recognises that people have different needs, requirements and goals and we will work actively against all forms of discrimination by promoting good relations and mutual respect within and between our communities, residents, elected members, job applicants and workforce.

We will also work to create equal access for everyone to our services, irrespective of ethnic origin, sex, age, marital status, sexual orientation, disability, gender reassignment, religious beliefs or non-belief, use of Welsh language, BSL or other languages, nationality, responsibility for any dependents or any other reason which cannot be shown to be justified.

<b>NAME OF NEW OR REVISED PROPOSAL *</b>	Review of Hackney Carriage Tariff of Fares
<b>DIRECTORATE</b>	Communities
<b>SERVICE AREA</b>	Public Protection
<b>CONTACT OFFICER</b>	Jacqui Morgan
<b>DATE FOR NEXT REVIEW OR REVISION</b>	At next tariff review

**\*Throughout this Equalities Impact Assessment Form, 'proposal' is used to refer to what is being assessed, and therefore includes policies, strategies, functions, procedures, practices, initiatives, projects and savings proposals.**



## INTRODUCTION

The aim of an Equality Impact Assessment (EIA) is to ensure that Equalities and Welsh Language issues have been proactively considered throughout the decision making processes governing work undertaken by every service area in the Council as well as work done at a corporate level.

The form should be used if you have identified a need for a full EIA following the screening process covered in the [Equalities Implications in Committee Reports](#) guidance document (available on the [Equalities and Welsh Language Portal](#) on the Council's intranet).

The EIA should highlight any areas of risk and maximise the benefits of proposals in terms of Equalities. It therefore helps to ensure that the Council has considered everyone who might be affected by the proposal.

It also helps the Council to meet its legal responsibilities under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011, the Welsh Language (Wales) Measure 2011 and supports the wider aims of the Well-being of Future Generations (Wales) Act 2015. There is also a requirement under Human Rights legislation for Local Authorities to consider Human Rights in developing proposals.

Specifically, Section 147 of the Equality Act 2010 is the provision that requires decision-makers to have 'due regard' to the equality implications of their decisions and Welsh Language Standards 88-97 require specific consideration of Welsh speakers under the Welsh Language Standards (No.1) Regulations 2015.

The Older People's Commissioner for Wales has also published 'Good Practice Guidance for Equality and Human Rights Impact Assessments and Scrutinising Changes to Community Services in Wales' to ensure that Local Authorities, and other service providers, carry out thorough and robust impact assessments and scrutiny when changes to community services are proposed, and that every consideration is given to mitigate the impact on older people and propose alternative approaches to service delivery.

The Council's work across Equalities, Welsh Language and Human Rights is covered in more detail through the [Equalities and Welsh Language Objectives and Action Plan 2016-2020](#).

This approach strengthens work to promote Equalities by helping to identify and address any potential discriminatory effects before introducing something new or changing working practices, and reduces the risk of potential legal challenges.

When carrying out an EIA you should consider both the positive and negative consequences of your proposals. If a project is designed for a specific group e.g. disabled people, you also need to think about what potential effects it could have on other areas e.g. young people with a disability, BME people with a disability.

There are a number of supporting guidance documents available on the [Equalities and Welsh Language Portal](#) and the Council's Equalities and Welsh Language team can offer support as the EIA is being developed. Please note that the team does not write EIAs on behalf of service areas, the support offered is in the form of advice, suggestions and in effect, quality control.

Contact [equalities@caerphilly.gov.uk](mailto:equalities@caerphilly.gov.uk) for assistance.

## PURPOSE OF THE PROPOSAL

<b>1</b>	<p><b>What is the proposal intended to achieve?</b> <i>(Please give a brief description of the purpose of the new or updated proposal by way of introduction.)</i></p> <p>The aim of the proposal is to set a tariff of fares that is reasonable to the travelling public and to the taxi trade who earn a living by owning or driving hackney carriages. The current tariff of fares has not increased since 2010. A number of factors influencing taxi journey costs have increased since that time e.g. 3.2 % increase in fuel costs and significant increases in vehicle insurance prices. The latest figures for CPI Consumer Price Index is 2.3%.</p>
<b>2</b>	<p><b>Who are the service users affected by the proposal?</b> <i>(Who will be affected by the delivery of this proposal? e.g. staff members, the public generally, or specific sections of the public i.e. youth groups, carers, road users, people using country parks, people on benefits etc.)</i></p> <p>Members of the public who use Hackney Carriages and Hackney carriage drivers and proprietors who earn their living from this trade.</p>

## IMPACT ON THE PUBLIC AND STAFF

<b>3</b>	<p><b>Does the proposal ensure that everyone has an equal access to all the services available or proposed, or benefits equally from the proposed changes, or does not lose out in greater or more severe ways due to the proposals?</b> <i>(What has been done to examine whether or not these groups have equal access to the service, or whether they need to receive the service in a different way from other people?)</i></p> <p>Tariff of fares applies to all passengers who use Hackney carriage vehicles with a set tariff of fares. An increase may impact on those that use taxis regularly, the elderly , the young, those who live in rural areas with limited public transport, do not have access to their own transport, have mobility issues. Passengers may however also contact private hire companies and book vehicles in advance with prior knowledge of the cost of the journey. These fees are set by the private hire companies themselves and are not subject to this assessment.</p>
	<b>Actions required:</b>

<p><b>4</b></p>	<p><b>What are the consequences of the above for specific groups?</b>  <i>(Has the service delivery been examined to assess if there is any indirect affect on any groups? Could the consequences of the policy or savings proposal differ dependent upon people’s disability, race, gender, sexuality, age, language, religion/belief?)</i></p> <p><b>Passengers</b>  The increase in fares applies to all passengers regardless of race, ethnicity, sexual orientation or religion/belief. An increase may impact more on those that use taxis regularly, live in rural areas with limited public transport, do not have access to their own transport, have mobility issues.</p> <p>There is no specific data available on impacts of tariff increases on users in Wales. Statistics from the Department of Transport in England in 2016 provide information on categories of users generally of Hackney carriage and Private hire vehicles by age, gender, mobility difficulties, household income and car access. The data includes average number of journeys for people in various groups. This has been used to assess impact in conjunction with statistical information for the borough from the 2011 census.</p> <p><b>Taxi Trade</b>  The taxi trade would benefit from a Tariff increase as the current tariff has not been increased since 2010. It was reviewed in 2014 but there was no appetite from the trade for an increase at that time. Members of the trade have approached the authority requesting an increase due to increased costs .</p> <p>One proposal put forward by the trade equated to a 25% increase. Option 4 proposes an increase of 13% for a 2 mile journey. National average fare for a 2 mile journey is £5.82, regional average £5.04, CCBC current tariff is £ 4.80.</p> <p><b>Insure survey of 1000 drivers in 2016</b>  Fuel costs have increased by 3.2 % since 2010, average spend on fuel by drivers in Wales is £80 per week . General consumer insurance costs have risen by 15% since 2010. Average cost of taxi insurance is between £1000 and £4000 per annum. Maintenance costs between £50 and £100 per month. Average taxi driver earnings in Wales before tax = £310 per week. 40 % of responders sited the cost of being a taxi driver as the biggest threat to their profession.</p> <p><b>CCBC consultation exercise.</b></p> <p>482 consulted, 20% response rate. 94 % of responders were in favour of an increase, 47.4 % in favour of option 4. 8.2 % were against an increase. The Tariff is the recommended fare , drivers may charge less but cannot charge more. There will be a cost to proprietors for recalibration of meters if the tariff is amended.</p>
	<p><b>Actions required:</b></p> <p>Consideration of proposed amendments at Licensing Committee and Cabinet. Formal consultation exercise and consideration of responses. If objections are received a further report will be submitted to Cabinet to set the tariff.</p>

5	<p><b>In line with the requirements of the Welsh Language Standards. (No.1) Regulations 2015, please note below what effects, if any (whether positive or adverse), the proposal would have on opportunities for persons to use the Welsh language, and treating the Welsh language no less favourably than the English language.</b></p> <p><i>(The specific Policy Making Standards requirements are Standard numbers 88, 89, 90, 91, 92 and 93. The full detail of each Standard is available on the Equalities and Welsh Language Portal)</i></p> <p>The tariff of fares required to be displayed in hackney carriages is bilingual and applies across the board so there would be no impact on the Welsh language. The consultation advertisement in newspapers and on the CCBC website will be bilingual. The language requirements of taxi drivers, proprietors is recorded and complied with when corresponding with them.</p>
	<p><b>Actions required:</b></p> <p>Produce new bilingual tariffs and issue to trade once tariff is set.</p>

## INFORMATION COLLECTION

6	<p><b>Is full information and analysis of users of the service available?</b></p> <p><i>(Is this service effectively engaging with all its potential users or is there higher or lower participation of uptake by one or more groups? If so, what has been done to address any difference in take up of the service? Does any savings proposals include an analysis of those affected?)</i></p> <p>See section 4 .</p> <p>We are not aware of any information specifically for Wales so have used the data in survey detailed in section 4 above and the CCBC profile from the last census.</p> <p>NB where “taxi” is used below this includes private hire vehicles as well as taxis. Percentages in brackets are figures for CCBC from the 2011 census. Caerphilly has a divergent demographic profile with a higher proportion of children and people of retirement age than Welsh averages. It has the second lowest employment rate in Wales with comparatively higher levels of deprivation.</p> <p>Proposal 4 has been used to consider financial impact .</p> <p><b>Passengers</b></p> <p><b>General impact</b></p> <p>Average person takes 11 trips per annum, 49% trips for leisure purposes, 51% shopping, personal business&amp; commuting. 24% of trips are less than 2 miles, 50% are between 2 and 5 miles.</p>
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	<p><b>Annual increase of £6.60 for 2 mile journeys and £ 13.20 for 5 mile journeys.</b></p> <p><b>Largest use group by age is 16 to 29 year olds ( 12.7% 33,437)</b></p> <p><b>Women</b> take more trips than men, averaging 12 per year (50.5 % CCBC population)</p> <p><b>Passengers with mobility issues</b> take on average 16 journeys per year (14% or approximately 25,000 )</p> <p><b>Annual increase of £9.60 for 2 mile journeys and £ 19.20 for 5 mile journeys.</b></p> <p><b>Household income</b></p> <p>Average person in the lowest real income quintile take 14 journeys per year averaging 4.6 miles. <b>Annual increase =£16.80 for 5 mile journeys.</b></p> <p><b>No car access</b></p> <p>Persons with no access to a vehicle take on average 29 journeys per annum.  <b>Annual increase of £17.40 for 2 mile journeys, £34.80 for 5 mile journeys.</b></p> <p>A person using a taxi once a week for a journey to a supermarket etc.  <b>Annual increase 2 mile journey £31.20, 5 mile journey £62.40.</b></p>
	<p><b>Actions required:</b></p> <p>As information on this issue is limited we will endeavour to strengthen our understanding by engaging with organisations representing those with protected characteristics for example, 50+ Forum, Caerphilly County Borough Access group, Disability Can Do, Deafblind.org etc.</p>

## CONSULTATION

<p><b>7</b></p>	<p><b>What consultation has taken place?</b>  <i>(What steps have been taken to ensure that people from various groups have been consulted during the development of this proposal? Have the Council's Equalities staff been consulted? Have you referred to the Equalities Consultation and Monitoring Guidance?)</i></p> <p>Members of the taxi trade have been consulted on suggestions for amending the tariff and stakeholders within the authority. Members of the Taxi and General Licensing Committee considered a number of proposals for amending the tariff and the taxi trade consultation responses at a meeting on 21/6/18. The Committee recommended a proposed new tariff to Cabinet at a meeting on the 25<sup>th</sup> of July 2018. The latter approved option 4 for formal consultation and an advertisement was published in the local press on the 4<sup>th</sup> of August . This is a statutory requirement.</p> <p>The proposed tariff was also published on the CCBC website and displayed at Ty Penallta . The authority issued a press release making the public aware of the 14 day consultation and how to give feedback on the amended tariff, a letter was also sent to the taxi trade informing of the formal consultation and deadline for responses. Representatives of groups likely to be more effected by the increase were emailed making them aware of the consultation and how to submit any comments. The groups consulted were as follows:-</p>
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	<p>The consultation ended on the 17<sup>th</sup> of August. One comment was made to CCBC via social media and was advised to respond formally but did not do so. The person queried the reasons for changing Tariff 2 (midnight till 6am) to 7pm till 7am. He pointed out that many people work evenings and may be caught by this change.</p> <p>Only one formal objection was received which was from a licensed driver. The driver wanted Tariff 2 to start at 10pm not 7pm but did not give any reasons in support of the objection.</p> <p>No objections or comments were received from the groups detailed above.</p> <p>A further meeting of Cabinet has been arranged for the 19<sup>th</sup> of September to consider objections and to determine the tariff that will apply in the borough.</p>
	<p><b>Actions required:</b> Further report to Cabinet.</p>

## MONITORING AND REVIEW

<p><b>8</b></p>	<p><b>How will the proposal be monitored?</b> <i>(What monitoring process has been set up to assess the extent that the service is being used by all sections of the community, or that the savings proposals are achieving the intended outcomes with no adverse impact? Are comments or complaints systems set up to record issues by Equalities category to be able analyse responses from particular groups?)</i></p> <p>Monitor complaints received about tariffs, feedback from trade and public on any impacts of the increase. Review if any objections are received to the formal consultation. Additionally at the next tariff review and or when any new data is available on taxi usage in Wales/ the borough.</p>
	<p><b>Actions required:</b></p> <p>Monitor as detailed above.</p>
<p><b>9</b></p>	<p><b>How will the monitoring be evaluated?</b> <i>(What methods will be used to ensure that the needs of all sections of the community are being met?)</i></p> <p>Monitor any complaints, data received for impacts on specific groups.</p>
	<p><b>Actions required:</b></p>

<b>10</b>	<p><b>Have any support / guidance / training requirements been identified?</b>  <i>(Has the EIA or consultation process shown a need for awareness raising amongst staff, or identified the need for Equalities or Welsh Language training of some sort?)</i></p> <p>Officers involved in the Tariff review process, consultation and preparation of reports for the Licensing Committee and Cabinet have recently attended training on Equality Impact Assessments. Training materials from the course are also available for dissemination to other officers in the team.</p>
	<p><b>Actions required:</b></p> <p>Managers will consider the need for staff members to attend general Equalities training.</p>

<b>11</b>	<p><b>Where you have identified mitigating factors in previous answers that lessen the impact on any particular group in the community, or have identified any elsewhere, please summarise them here.</b></p> <p>Increasing the tariff will impact on Hackney Carriage users, higher users for whatever reason ( age , mobility, no access to vehicles etc) will obviously be more affected . The taxi trade also have to earn a living. The tariff has not increased since 2010 and costs associated with providing that service have increased significantly since then. The increase is modest and if implemented Tariff 2 will not have effect until 7pm so will not impact on day time users. Only one formal objection was received in relation to the times for Tariff 2 and one informal comment. Many people do work later than 7pm of any evening but it is believed that the proposed times are a balance in terms of not disadvantaging daytime travellers/commuters but also providing the trade with the opportunity for increased income from persons who would be predominantly travelling to enjoy the night time economy.</p>
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<b>12</b>	<p><b>What wider use will you make of this Equality Impact Assessment?</b>  <i>(What use will you make of this document i.e. as a consultation response, appendix to approval reports, publicity etc. in addition to the mandatory action shown below?)</i></p> <p>All CCBC EIA's are published on our website. This EIA will be included as an appendix to the report for Cabinet.</p>
	<p><b>Actions required:</b></p> <ul style="list-style-type: none"> <li>EIA, when completed, to be returned to <a href="mailto:equalities@caerphilly.gov.uk">equalities@caerphilly.gov.uk</a> for publishing on the Council's website.</li> </ul>

<b>Completed by:</b>	Jacqui Morgan
<b>Date:</b>	20.8.18
<b>Position:</b>	Group Manager
<b>Name of Head of Service:</b>	Rob Hartshorn

Gadewir y dudalen hon yn wag yn fwriadol





## CABINET - 19TH SEPTEMBER 2018

**SUBJECT: TO ADOPT THE WG 'HIGH STREET RATE RELIEF' SCHEME 2018/19 – GRANT FUNDING**

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

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### 1. PURPOSE OF REPORT

- 1.1 The Welsh Government (WG) Cabinet Secretary for Finance has announced a new temporary national non-domestic rate (NNDR), also known as business rate, 'High Street Rate Relief Scheme' for the financial year 2018-2019 only. Relief granted by the Authority under this new scheme is to be reimbursed by WG by way of a specific cash-limited grant but, before any relief is awarded, the Authority must consider and adopt the new scheme. Approval is therefore sought to adopt the new rate relief scheme in accordance with the guidance set out at Appendix 1.

### 2. SUMMARY

- 2.1 This report gives details of a new rate relief scheme offered by WG and attaches at Appendix 1 details of the new Scheme. Adoption of the new scheme as set out at Appendix 1 is obligatory because WG has prescribed the details for the scheme. The Authority must formally adopt the new scheme set out in the guidance at Appendix 1 in order to obtain the WG grant funding.

### 3. LINKS TO STRATEGY

- 3.1 This grant-funded initiative aims to provide support for eligible high street retail businesses in Wales affected by the 2017 rating revaluation. This is linked to the Anti-Poverty Strategy and the Prosperous theme from the Caerphilly Delivers - Single Integrated Plan.
- 3.2 Maximising the take-up of business rate relief to support businesses where possible contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:-
- A prosperous Wales
  - A resilient Wales
  - A more equal Wales
  - A Wales of cohesive communities

### 4. THE REPORT

- 4.1 WG has announced the 'High Street Rate Relief Scheme' 2018-2019 (the Scheme). It is intended that the relief under the Scheme will be made available subject to the Authority adopting the new Scheme as set out in the guidance at Appendix 1 and accepting the final grant offer.

- 4.2 The Scheme aims to provide support for eligible high street retail businesses by offering up to £250 discount on the business rate bill per property for Tier 1 eligible properties and up to £750 per property for Tier 2 eligible properties for the financial year 2018-2019, subject to State Aid limits. The maximum amount of high street rate relief available to each eligible ratepayer is now half of that which was offered under the 2017-18 Scheme. On 30 July 2018, WG issued the funding allocation for the Scheme, and this Authority's allocation is £132k.
- 4.3 Relief is to be provided under Section 47 of the Local Government Finance Act 1988 in accordance with the criteria and conditions specified in the guidance set out at Appendix 1 of this report.
- 4.4 Appendix 1 is a guidance document issued by WG which in effect prescribes the detailed criteria and conditions for the Scheme.
- 4.5 In order to qualify for this rate relief, the guidance states that it will be for local authorities to determine how they wish to administer the Scheme. In order to maximise take-up by ratepayers and minimise administration costs for the Authority, it is proposed that rate relief is applied directly to eligible ratepayers' bills for those ratepayers who completed an application form and received rate relief under the 2017-18 Scheme, and are eligible for rate relief under the 2018-19 Scheme. In these cases, an application form will not need to be completed for 2018-19. However, if this path were to be followed, the guidance sets out a substantial amount of text which it recommends should be incorporated into an award letter addressed to each eligible ratepayer setting out the State Aid implications. Furthermore, if an eligible ratepayer believes he or she is not entitled to receive this relief, a declaration within the letter must be signed and returned to the Authority.
- 4.6 An application form will need to be completed in cases where a ratepayer did not receive High Street rate relief last year but meets the 2018-19 Scheme eligibility criteria. In 2017/18, officers issued initial application forms and several months later follow-up reminder letters were issued urging those ratepayers yet to apply to do so without further delay. It is intended that similar arrangements will be made for this scheme where a properly completed application form is not held in respect of the 2017/18 or 2018/19 Scheme.
- 4.7 Members should note that each ratepayer required to complete an application form will need to submit the application to the Authority by no later than 15<sup>th</sup> February 2019 to allow officers to submit the final grant claim by 28<sup>th</sup> February 2019, as required by WG.
- 4.8 Officers of the Authority will make the business community aware of the Scheme through its usual channels, such as its website and the 'Newslines' publication. In addition, where an application form is required to be completed, the Authority will write to ratepayers that it considers may be eligible for relief under the Scheme to inform them about the availability of relief and to provide information on the application process. The Authority's Business Rate Team will therefore write to all newly-eligible businesses enclosing the appropriate application form to try and maximise take-up of the Scheme. Members are advised that 74% of eligible ratepayers applied for and received High Street rate relief in 2017/18.
- 4.9 Full details of the Scheme, including the qualifying criteria, are included in the guidance set out at Appendix 1.

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

- 5.1 Effective financial management is a key element in ensuring that the Well-being Goals in the Well-being of Future Generations Act (Wales) 2015 are met. Maximising the take-up of business rate relief minimises the amount of rates payable by eligible businesses which helps them to continue trading.

## **6. EQUALITIES IMPLICATIONS**

- 6.1 An Equality Impact Assessment (EIA) screening has been completed in accordance with the Council's Strategic Equality Plan 2016-2020 and supplementary guidance and is set out in Appendix 2. No potential for unlawful discrimination and/or low level or minor negative impact has been identified. This screening was necessary because WG has not undertaken its own EIA. Each application will be dealt with on its own merits, but will follow the guidance set out in Appendix 1.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 There are no direct financial implications to the Authority as the Authority will be reimbursed by WG for any relief granted, provided it can evidence that the expenditure falls within the terms of the 'High Street Rate Relief Scheme' 2018-2019 grant offer.
- 7.2 Based on an initial assessment of qualifying businesses for the 'High Street Rate Relief Scheme' 2018-2019, this funding will be utilised for circa 430 businesses. These figures are subject to change due to the daily amendments made to the Authority's rating list.

## **8. PERSONNEL IMPLICATIONS**

- 8.1 Regarding the 'High Street Rate Relief Scheme' 2018-2019, a small administration grant of £3,371.19 is offered by WG in respect of the work undertaken to deliver the scheme.

## **9. CONSULTATIONS**

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

## **10. RECOMMENDATIONS**

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

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

- 11.1 To ensure that the Authority complies with the grant conditions in order to obtain and fully utilise the grant funding in respect of any rate relief awarded under the WG Scheme as detailed in the guidance set out at Appendix 1.

## 12. STATUTORY POWER

12.1 Local Government Finance Act 1988 and Local Government Act 1972, 2000 and 2003.

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Consultees: Richard Edmunds, Corporate Director for Education and Corporate Services  
Nicole Scammell, Head of Corporate Finance and S151 Officer  
Cllr. Barbara Jones, Deputy Leader & Cabinet Member for Finance, Performance and Governance  
Andrew Highway, Town Centre Development Manager  
Robert Tranter, Head of Legal Services / Monitoring Officer  
Anwen Cullinane, Senior Policy Officer (Equalities & Welsh Language)

Background Papers:

Contact Council Tax and NNDR Manager (ext. 3421)

Appendices:

Appendix 1: 'High Street Rate Relief - Guidance 2018-19'

Appendix 2: 'CCBC EIA HSRR 2018'



## Non-domestic Rates

### High Street Rates Relief in Wales - 2018-19

#### Guidance

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# Non-domestic Rates – High Street Rates Relief

## Guidance

### About this guidance

1. This guidance is intended to support local authorities in administering the High Street Rates Relief scheme (“the relief”) announced by the Cabinet Secretary for Finance on 15 March 2018. This guidance applies to Wales only.
2. This guidance sets out the criteria which the Welsh Government will use to determine the funding for local authorities for relief provided to high street retail properties. The guidance does not replace any existing non-domestic rates legislation or any other relief.
3. Enquiries on the scheme should be sent to:  
[localtaxationpolicy@gov.wales](mailto:localtaxationpolicy@gov.wales)
4. The relief is being offered from 1 April 2018 and will be available until 31 March 2019.

### Introduction

5. This relief is aimed at high street retailers in Wales, for example shops, pubs, restaurants and cafes.
6. The Welsh Government will provide two tiers of non-domestic rates relief, of up to £250 (Tier 1) or up to £750 (Tier 2), to eligible high street retailers occupying premises with a rateable value of £50,000 or less in the financial year 2018-19, subject to State Aid limits.
7. This document provides guidance on the operation and delivery of the scheme.

# Section 1

## High Street Rates Relief

### How will the relief be provided?

8. As this is a temporary measure, we are providing the relief by reimbursing local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988. It will be for individual local authorities to adopt a scheme and decide in each individual case when to grant relief under section 47. The Welsh Government will then reimburse local authorities for the relief that is provided in line with this guidance via a grant under section 31 of the Local Government Act 2003.

### How will the scheme be administered?

9. It will be for local authorities to determine how they wish to administer the scheme to maximise take-up and minimise the administrative burden for ratepayers and for local authority staff. Subject to State Aid considerations set out in paragraphs 29 to 33.
10. Local authorities are responsible for providing ratepayers with clear and accessible information on the details and administration of the scheme. If, for any reason, an authority is unable to provide this relief to eligible ratepayers from 1 April 2018, consideration should be given to notifying eligible ratepayers that they qualify for the relief and that their bills will be recalculated.
11. Local authorities will be asked to identify the total amount of relief provided under the scheme in their Non-Domestic Rates Return (NDR3) for data collection purposes only.

### Which properties will benefit from relief?

12. Properties that will benefit from this relief will be occupied high street properties such as shops, restaurants, cafes and drinking establishments, with a rateable value of £50,000 or less on 1 April 2018. More detailed eligibility criteria and exceptions to the relief are set out in paragraphs 15 to 19.
13. Two tiers of relief will be provided depending on the rateable value of the property, whether liability is increasing from 1 April 2017 as a result of the revaluation and whether the business is already entitled to other Welsh Government support.
14. Relief should be granted to businesses as a one-off payment based on occupation as at 31 March 2018 (provided the same occupier



continues to be in occupation on 1 April 2018). It is recognised that there may be some instances where a local authority is retrospectively notified of a change of occupier. In such cases, if it is clear that the occupier was in occupation on 1 April 2018, the local authority may use its discretion in awarding relief.

**Tier 1 – lower level of support: £250 (or the total remaining liability if this is less than £250)**

Eligible ratepayers will be high street retailers whose properties have a rateable value of between £6,001 and £12,000\* for the financial year 2018-19 and who meet the following criteria:

- In receipt of Small Business Rates Relief (SBRR) on 1 April 2018; and / or
- In receipt of Transitional Relief on 1 April 2018.

\*There will be a small number of ratepayers whose properties have a rateable value of £12,000 or above who are in receipt of Transitional Relief. These ratepayers will qualify for Tier 1 relief.

It is recognised that there may also be a small number of ratepayers whose properties have a rateable value of £12,000 who are not in receipt of Transitional Relief and who are on the very upper threshold of the SBRR taper and hence receive no SBRR relief. Such ratepayers will be eligible for Tier 1 relief.

**Tier 2 – higher level of support: up to £750**

Eligible ratepayers will be high street retailers whose property has a rateable value between £12,001 and £50,000 for the financial year 2018-19 and who meet the following criteria:

- Not in receipt of SBRR or Transitional Relief on 1 April 2018; and
- Have an increase in their liability on 1 April 2017 as a result of the 2017 Revaluation.

15. It is intended that, for the purposes of this scheme, high street properties such as, “shops, restaurants, cafes and drinking establishments” will mean the following (subject to the other criteria in this guidance).

**i. Hereditaments that are being used for the sale of goods to visiting members of the public**

- Shops (such as florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off-licences, newsagents, hardware stores, supermarkets, etc)
- Opticians
- Pharmacies
- Post offices
- Furnishing shops or display rooms (such as carpet shops, double glazing, garage doors)
- Car or caravan showrooms
- Second hand car lots
- Markets
- Petrol stations
- Garden centres
- Art galleries (where art is for sale or hire)

**ii. Hereditaments that are being used for the provision of the following services to visiting members of the public**

- Hair and beauty services
- Shoe repairs or key cutting
- Travel agents
- Ticket offices, eg. for theatre
- Dry cleaners
- Launderettes
- PC, TV or domestic appliance repair
- Funeral directors
- Photo processing
- DVD or video rentals
- Tool hire
- Car hire
- Cinemas
- Estate and letting agents

**iii. Hereditaments that are being used for the sale of food and / or drink to visiting members of the public**

- Restaurants
- Drive-through or drive-in restaurants
- Takeaways
- Sandwich shops
- Cafés
- Coffee shops
- Pubs
- Wine Bars

16. To qualify for the relief a hereditament listed in (i) to (iii) should be wholly or mainly used as a shop, restaurant, café or drinking establishment. This is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.
17. The above list is not intended to be exhaustive as it would be impossible to list all the many and varied high street retail uses that exist. There will also be mixed uses. However, it is intended to be a guide for local authorities as to the types of uses that the Welsh Government considers for this purpose to be high street and retail. Local authorities should determine for themselves whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for the relief.
18. As the grant of the relief is discretionary, local authorities may choose not to grant the relief if they consider that appropriate, for example where granting the relief would go against the local authority's wider objectives for the local area.

### **Types of hereditaments that are not considered to be eligible for High Street Rates Relief**

19. The list below sets out the types of uses that the Welsh Government does not consider to be high street retail use for the purpose of this relief and would not be deemed eligible for the relief. However, it will be for local authorities to determine if hereditaments are similar in nature to those listed below and if they would not be eligible for relief under the scheme.
- i. ***Hereditaments that are being used wholly or mainly for the provision of the following services to visiting members of the public***
- Financial services (eg. banks, building societies, cash points, ATMs, bureaux de change, payday lenders, betting shops, pawn brokers)
  - Medical services (eg. vets, dentists, doctors, osteopaths, chiropractors)
  - Professional services (eg. solicitors, accountants, insurance agents, financial advisers, tutors)
  - Post office sorting office
  - Tourism accommodation, eg. B&Bs, hotel accommodation and caravan parks
  - Sports clubs
  - Children's play centres
  - Day nurseries
  - Outdoor activity centres
  - Gyms

- Kennels and catteries
- Show homes and marketing suites
- Employment agencies

There are a number of further types of hereditaments which the Welsh Government believes should not be eligible for the High Street Relief Scheme.

**ii. *Hereditaments with a rateable value of more than £50,000***

It is recognised there are some high street retail businesses with rateable value above the £50,000 relief who will not be eligible for this relief. However, local authorities have the option to use their discretionary powers to offer discounts outside this scheme to such businesses if it is in the interests of the local community to do so.

**iii. *Hereditaments that are not reasonably accessible to visiting members of the public***

If a hereditament is not reasonably accessible to visiting members of the public, it will be ineligible for relief under the scheme even if there is ancillary use of the hereditament that might be considered to fall within the descriptions in paragraph 15 (i), (ii) or (iii).

**iv. *Hereditaments that are in out-of-town retail parks or industrial estates***

What constitutes a high street retailer will vary significantly across local authority areas and it is left to the discretion of authorities to determine this based on their local areas. However, hereditaments in out-of-town retail parks and industrial estates are not considered to constitute the high street for the purposes of this relief even if there is ancillary use of the hereditament that might be considered to fall within the descriptions in paragraph 15 (i), (ii) or (iii). As the grant of the relief is discretionary, it is for authorities to determine for themselves whether particular properties constitute a high-street retailer.

**v. *Hereditaments that are not occupied***

Properties that are not occupied on 1 April 2018 should be excluded from this relief. However, under the Empty Property Relief scheme, empty properties will receive a 100% reduction in rates for the first three months (and in certain cases six) of being empty.

**vi. *Hereditaments that are in receipt of mandatory charitable rates relief***

These properties already receive mandatory charitable relief which gives an 80% reduction in liability and authorities may also choose to provide discretionary charitable relief which can reduce the remaining liability to nil. As such, these properties will not be eligible for High Street Rate Relief.

## **How much relief will be available?**

20. The total amount of government funded relief available for each property for 12 months under this scheme is up to £250 for Tier 1 properties and up to £750 for Tier 2 properties.
21. This relief can be provided in addition to SBRR and Transitional Relief. High Street Rates Relief should be applied against the net bill after these two reliefs have been applied. Any hardship or discretionary relief awarded by the local authority should be considered by the local authority once all other rates reliefs have been awarded.
22. The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a particular hereditament in the financial year:
- $$\text{Amount of relief to be granted} = A \times (B / C)$$
- Where:  
A is the funding amount for Tier 1 or Tier 2  
B is the number of days in the financial year that the hereditament is eligible for relief; and  
C is the number of days in the financial year
23. When calculating the relief, if the net liability before High Street Rates Relief is £250 or less for Tier 1 or £750 or less for Tier 2, the maximum amount of this relief will be no more than the value of the net rate liability. This should be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.
24. Ratepayers that occupy more than one property will be entitled to High Street Rates Relief for each of their eligible properties, subject to State Aid de minimis limits.

## **Changes to existing hereditaments, including change in occupier**

25. Eligibility for the relief will be calculated based on the circumstances of the property and ratepayer as at 1 April 2018. Changes to properties which occur after this date will have no impact on eligibility for this relief.
26. Empty properties becoming occupied after 1 April 2018 will not qualify for this relief.
27. If there is a change in occupier part way through the financial year, after relief has already been provided to the hereditament, the new occupier will not qualify for the relief.

28. This treatment is intended to simplify the administration of the scheme but also reflects that the relief is to help support those affected by the revaluation. It is assumed that the rateable values for properties being occupied after 1 April 2018 will have been known in advance of occupation and would have been taken into account prior to occupation.

## State Aid

29. State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. High Street Rates Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulation (1407/2013).
30. The De Minimis Regulation allows an undertaking to receive up to €200,000 of De Minimis aid in a three-year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving De Minimis aid, the relevant definition of undertaking and the requirement to convert the aid into Euros.
31. To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation).
32. Section 3 of this guidance contains a sample De Minimis declaration which local authorities may wish to use. Where local authorities have further questions about De Minimis or other aspects of State Aid law, they should seek advice from their legal department in the first instance.
33. Desk instructions covering the administration of De Minimis schemes are available at:

<http://gov.wales/funding/state-aid/de-minimis-aid/?lang=en>

[http://ec.europa.eu/competition/state\\_aid/legislation/de\\_minimis\\_regulation\\_en.pdf](http://ec.europa.eu/competition/state_aid/legislation/de_minimis_regulation_en.pdf)

## Section 2 – State Aid

### Sample paragraphs that could be included in letters to ratepayers about High Street Rates Relief for 2018-19

The Cabinet Secretary for Finance announced on 13 December 2017 that an additional £5 million of funding would be available to extend the High Street Rates Relief scheme for 2018-19.

Relief of up to £750 will be provided to eligible occupied retail properties with a rateable value of £50,000 or less in 2018-19. Your current rates bill includes this High Street Rates Relief.

Awards such as High Street Rates Relief are required to comply with the EU law on State Aid<sup>1</sup>. In this case, this involves returning the attached declaration to this authority if you have received any other De Minimis State Aid, including any other High Street Rates Relief you are being granted for premises other than the one to which this bill and letter relates, and confirming that the award of High Street Rates Relief does not exceed the €200,000 an undertaking<sup>2</sup> can receive under the De Minimis Regulations EC 1407/2013.

Please complete the declaration and return it to the address above. In terms of declaring previous De Minimis aid, we are only interested in public support which is De Minimis aid (State Aid received under other exemptions or public support which is not State Aid does not need to be declared).

If you have not received any other De Minimis State Aid, including any other High Street Rates Relief you are being granted for premises other than the one to which this bill and letter relates, you do not need to complete or return the declaration.

If you wish to refuse to receive the High Street Rates Relief granted in relation to the premises to which this bill and letter relates, please complete the attached form and return it to the address above. You do not need to complete the declaration. This may be particularly relevant to those premises that are part of a large retail chain, where the cumulative total of High Street Rates Relief received could exceed €200,000.

Under the European Commission rules, you must retain this letter for three years from the date on this letter and produce it on any request by the UK public authorities or the European Commission. (You may need to keep this letter longer than three years for other purposes). Furthermore, information on this aid must be supplied to any other public authority or agency asking for information on 'De Minimis' aid for the next three years.

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1. Further information on State Aid law can be found at <https://www.gov.uk/state-aid>

2 An undertaking is an entity which is engaged in economic activity. This means that it puts goods or services on a given market. The important thing is what the entity does, not its status. Thus a charity or not for profit company can be undertakings if they are involved in



economic activities. A single undertaking will normally encompass the business group rather than a single company within a group. Article 2.2 of the de minimis Regulations (Commission Regulation EC/ 1407/2013) defines the meaning of 'single undertaking'.

### 'De Minimis' declaration

Dear [ ]

NON-DOMESTIC RATES ACCOUNT NUMBER: \_\_\_\_\_

The value of the non-domestic rates High Street Rates Relief to be provided to [name of undertaking] by [name of local authority] is £ [ ] (Euros [ ]).

This award shall comply with the EU law on State Aid on the basis that, including this award, [name of undertaking] shall not receive more than €200,000 in total of De Minimis aid within the current financial year or the previous two financial years). The De Minimis Regulations 1407/2013(as published in the Official Journal of the European Union L352 24.12.2013) can be found at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>.

Amount of De Minimis aid	Date of aid	Organisation providing aid	Nature of aid
€	1 April 2018 – 31 March 2019	Local authorities (for the High Street Rates Relief total, you do not need to specify the names of individual authorities)	High Street Rates Relief

I confirm that:

1) I am authorised to sign on behalf of \_\_\_\_\_[name of undertaking]; and

2) \_\_\_\_\_[name of undertaking] shall not exceed its De Minimis threshold by accepting this High Street Rates Relief.

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

DATE:

**Refusal of High Street Rates Relief form**

Name and address of premises	Non-domestic rates account number	Amount of High Street Rates Relief

I confirm that I wish to refuse High Street Rates Relief in relation to the above premises.

I confirm that I am authorised to sign on behalf of \_\_\_\_\_ [name of undertaking].

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

DATE:

# EQUALITY IMPACT ASSESSMENT FORM

April 2016

## THE COUNCIL'S EQUALITIES STATEMENT

This Council recognises that people have different needs, requirements and goals and we will work actively against all forms of discrimination by promoting good relations and mutual respect within and between our communities, residents, elected members, job applicants and workforce.

We will also work to create equal access for everyone to our services, irrespective of ethnic origin, sex, age, marital status, sexual orientation, disability, gender reassignment, religious beliefs or non-belief, use of Welsh language, BSL or other languages, nationality, responsibility for any dependents or any other reason which cannot be shown to be justified.

<b>NAME OF NEW OR REVISED PROPOSAL *</b>	Welsh Government High Street Rate Relief Scheme 2018/19
<b>DIRECTORATE</b>	Corporate Services
<b>SERVICE AREA</b>	Corporate Finance – Business Rates
<b>CONTACT OFFICER</b>	John Carpenter
<b>DATE FOR NEXT REVIEW OR REVISION</b>	Not applicable as one-off scheme

**\*Throughout this Equalities Impact Assessment Form, 'proposal' is used to refer to what is being assessed, and therefore includes policies, strategies, functions, procedures, practices, initiatives, projects and savings proposals.**

## INTRODUCTION

The aim of an Equality Impact Assessment (EIA) is to ensure that Equalities and Welsh Language issues have been proactively considered throughout the decision making processes governing work undertaken by every service area in the Council as well as work done at a corporate level.

The form should be used if you have identified a need for a full EIA following the screening process covered in the [Equalities Implications in Committee Reports](#) guidance document (available on the [Equalities and Welsh Language Portal](#) on the Council's intranet).

The EIA should highlight any areas of risk and maximise the benefits of proposals in terms of Equalities. It therefore helps to ensure that the Council has considered everyone who might be affected by the proposal.

It also helps the Council to meet its legal responsibilities under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011, the Welsh Language (Wales) Measure 2011 and supports the wider aims of the Well-being of Future Generations (Wales) Act 2015. There is also a requirement under Human Rights legislation for Local Authorities to consider Human Rights in developing proposals.

Specifically, Section 147 of the Equality Act 2010 is the provision that requires decision-makers to have 'due regard' to the equality implications of their decisions and Welsh Language Standards 88-97 require specific consideration of Welsh speakers under the Welsh Language Standards (No.1) Regulations 2015.

The Older People's Commissioner for Wales has also published 'Good Practice Guidance for Equality and Human Rights Impact Assessments and Scrutinising Changes to Community Services in Wales' to ensure that Local Authorities, and other service providers, carry out thorough and robust impact assessments and scrutiny when changes to community services are proposed, and that every consideration is given to mitigate the impact on older people and propose alternative approaches to service delivery.

The Council's work across Equalities, Welsh Language and Human Rights is covered in more detail through the [Equalities and Welsh Language Objectives and Action Plan 2016-2020](#).

This approach strengthens work to promote Equalities by helping to identify and address any potential discriminatory effects before introducing something new or changing working practices, and reduces the risk of potential legal challenges.

When carrying out an EIA you should consider both the positive and negative consequences of your proposals. If a project is designed for a specific group e.g. disabled people, you also need to think about what potential effects it could have on other areas e.g. young people with a disability, BME people with a disability.

There are a number of supporting guidance documents available on the [Equalities and Welsh Language Portal](#) and the Council's Equalities and Welsh Language team can offer support as the EIA is being developed. Please note that the team does not write EIAs on behalf of service areas, the support offered is in the form of advice, suggestions and in effect, quality control.

Contact [equalities@caerphilly.gov.uk](mailto:equalities@caerphilly.gov.uk) for assistance.

## PURPOSE OF THE PROPOSAL

<b>1</b>	<p><b>What is the proposal intended to achieve?</b> <i>(Please give a brief description of the purpose of the new or updated proposal by way of introduction.)</i></p> <p>The Welsh Government (WG) has decided to fund a High Street Rate Relief Scheme from 1 April 2018 to 31 March 2019 which is aimed at helping certain business rate payers facing an increase in their rate liability as a result of the recent rating revaluation carried out by the Valuation Office Agency (part of Her Majesty's Revenue and Customs). WG has not carried out an equality impact assessment (EIA), hence the need for this assessment.</p> <p>WG is offering specific grant funding to each local authority in Wales and has issued a Guidance document which contains the requirements that need to be followed in administering the scheme. This rate relief scheme has to be adopted by each local authority wishing to award the relief and in this Authority's case a report is to be taken to Cabinet proposing the adoption of the WG scheme.</p>
<b>2</b>	<p><b>Who are the service users affected by the proposal?</b> <i>(Who will be affected by the delivery of this proposal? e.g. staff members, the public generally, or specific sections of the public i.e. youth groups, carers, road users, people using country parks, people on benefits etc.)</i></p> <p>If this proposal is adopted, it will affect certain business rate payers that would otherwise have had to pay a higher amount in business rates for the financial year 2018/19.</p> <p>A ratepayer may apply for relief of up to £250 (Tier 1) or up to £750 (Tier 2) on a business rates bill for the financial year 2018/19 if they are an eligible high street retailer occupying qualifying premises with a rateable value of £50,000 or less on 1 April 2018, subject to State Aid limits.</p> <p>Properties that benefit from the relief will be occupied high street properties and must be wholly or mainly being used as a shop, restaurant, café or drinking establishment that is wholly or mainly providing a service to visiting members of the public (properties must be reasonably accessible to the public).</p> <p>Two tiers of relief are provided depending on the rateable value of the property, whether liability has increased on 1 April 2017 as a result of the rating revaluation and whether the business is already entitled to other Welsh Government support.</p> <p><b>Tier 1 Relief – £250</b> (or the total remaining amount payable if this is less than £250)</p> <p>Eligible ratepayers are high street retailers whose properties have a rateable value of between £6,001 and £12,000* for the financial year 2018/19 who are:</p> <ul style="list-style-type: none"><li>• Receiving Small Business Rate Relief on 1 April 2018; and/or</li><li>• Receiving Transitional Rate Relief on 1 April 2018.</li></ul>

\*A small number of ratepayers occupying properties with a rateable value of £12,000 or above who are receiving Transitional Rate Relief will qualify for Tier 1 relief where their use of the property and any other WG conditions are satisfied by properly completing and returning an application form.

**Tier 2 Relief – £750** (or the total remaining amount payable if this is less than £750)

Eligible ratepayers are high street retailers whose properties have a rateable value of between £12,001 and £50,000 for the financial year 2018/19 who:

- Are not receiving Small Business Rate Relief or Transitional Rate Relief on 1 April 2018; and
- Have an increase in their rate liability on 1 April 2017 due to the 2017 revaluation.

WG has also laid down other conditions in its Guidance document, in particular:

- The amount of relief will be limited to the amount of rates actually payable.
- If a property is occupied after 1 April 2018 the ratepayer will not be eligible for this relief.
- If a property is vacated after 1 April 2018 the amount of relief will be reduced proportionately.
- Ratepayers occupying more than one property may apply for High Street Rate Relief on each of their eligible properties, subject to State Aid limits.
- Properties already receiving mandatory charitable rate relief are not eligible for High Street Rate Relief.
- State Aid 'de minimis' rules apply.

## IMPACT ON THE PUBLIC AND STAFF

<p><b>3</b></p>	<p><b>Does the proposal ensure that everyone has an equal access to all the services available or proposed, or benefits equally from the proposed changes, or does not lose out in greater or more severe ways due to the proposals?</b>  <i>(What has been done to examine whether or not these groups have equal access to the service, or whether they need to receive the service in a different way from other people?)</i></p> <p>For those ratepayers who completed an application form and received rate relief under the 2017-18 Scheme, and are eligible for rate relief under the 2018-19 Scheme, it is proposed that rate relief is applied directly to eligible ratepayers' bills. In these cases, an application form will not need to be completed for 2018-19.</p> <p>An application form will need to be completed in cases where a ratepayer did not receive High Street rate relief last year but meets the 2018-19 Scheme eligibility criteria.</p> <p>Those ratepayers that may be eligible to apply for this relief, and have not completed and returned an application form in 2017/18 will be sent an application form this year. Officers of the Authority will make the business community aware of the WG Scheme through its usual channels, such as its website, Town Centre Gazette and the 'Newslines' publication.</p>
	<p><b>Actions required:</b></p> <ul style="list-style-type: none"> <li>• Award this relief to ratepayers who completed an application form and received rate relief under the 2017-18 Scheme, and are eligible for rate relief under the 2018-19 Scheme;</li> <li>• Issue an application form to ratepayers that appear to be eligible to apply for this relief in 2018/19 but have not made an application previously;</li> <li>• Publicise the WG Scheme through the Council's usual channels.</li> </ul>
<p><b>4</b></p>	<p><b>What are the consequences of the above for specific groups?</b>  <i>(Has the service delivery been examined to assess if there is any indirect effect on any groups? Could the consequences of the policy or savings proposal differ dependent upon people's disability, race, gender, sexuality, age, language, religion/belief?)</i></p> <p>The proposal is not aimed at a specific group within the eligible ratepayer group. No evidence has been identified to suggest that the WG scheme would have a differential impact on this group.</p> <p>The WG scheme proposal will assist those eligible ratepayers that:</p> <ul style="list-style-type: none"> <li>• Have completed an application form and received rate relief under the 2017-18 Scheme, and are eligible for rate relief under the 2018-19 Scheme;</li> <li>• Are eligible to apply for this relief in 2018/19 and submit a properly completed application form within the time scales determined by WG.</li> </ul>

	These cases will be processed in accordance with the WG Scheme, irrespective of people's disability, race, gender, sexuality, age, language, and religion/belief.
	<b>Actions required:</b>  None.



5	<p><b>In line with the requirements of the Welsh Language Standards. (No.1) Regulations 2015, please note below what effects, if any (whether positive or adverse), the proposal would have on opportunities for persons to use the Welsh language, and treating the Welsh language no less favourably than the English language.</b></p> <p><i>(The specific Policy Making Standards requirements are Standard numbers 88, 89, 90, 91, 92 and 93. The full detail of each Standard is available on the Equalities and Welsh Language Portal)</i></p> <p>The Council is required to ensure it complies with requirements under the Welsh Language Standards. The duties which come from the standards mean that organisations should not treat the Welsh language less favourably than the English language, together with promoting and facilitating the use of the Welsh language (making it easier for people to use in their day-to-day-lives).</p>
	<p><b>Actions required:</b> None</p>

## INFORMATION COLLECTION

6	<p><b>Is full information and analysis of users of the service available?</b></p> <p><i>(Is this service effectively engaging with all its potential users or is there higher or lower participation of uptake by one or more groups? If so, what has been done to address any difference in take up of the service? Does any savings proposals include an analysis of those affected?)</i></p> <p>All ratepayers (service users) who appear to the Council to be eligible to apply for relief under the WG scheme will be identified by data analysis of the business rates database to ensure take-up of the assistance available under the scheme is maximised. Beyond this, no detailed analysis has been undertaken.</p>
	<p><b>Actions required:</b></p> <p>Eligible ratepayers to be identified in accordance with the WG scheme requirements.</p>

## CONSULTATION

<b>7</b>	<p><b>What consultation has taken place?</b> <i>(What steps have been taken to ensure that people from various groups have been consulted during the development of this proposal? Have the Council's Equalities staff been consulted? Have you referred to the Equalities Consultation and Monitoring Guidance?)</i></p> <p>WG developed this rate relief scheme and has laid down guidance containing various criteria which must be satisfied; therefore the Council was not at liberty to carry out a consultation on its development.</p> <p>The Council's Senior Policy Officer (Equalities and Welsh Language) has been consulted and the Equalities Consultation and Monitoring Guidance considered.</p>
	<p><b>Actions required:</b></p> <p>None.</p>

## MONITORING AND REVIEW

<b>8</b>	<p><b>How will the proposal be monitored?</b> <i>(What monitoring process has been set up to assess the extent that the service is being used by all sections of the community, or that the savings proposals are achieving the intended outcomes with no adverse impact? Are comments or complaints systems set up to record issues by Equalities category to be able analyse responses from particular groups?)</i></p> <p>As this is a WG scheme, the Council will be required to provide certain information to WG about the number of ratepayers receiving this relief and the amount of relief awarded. This information may be used by WG to inform future policy decisions regarding the provision of this type of rate relief.</p>
	<p><b>Actions required:</b></p> <p>None.</p>

<p><b>9</b></p>	<p><b>How will the monitoring be evaluated?</b>  <i>(What methods will be used to ensure that the needs of all sections of the community are being met?)</i></p> <p>As above, WG may use information reported to them by each local authority to inform future policy decisions regarding the provision of this type of rate relief.</p> <p>No evidence has been identified to suggest that the implementation of this WG scheme would have a differential impact on this group.</p>
	<p><b>Actions required:</b></p> <p>No actions required, as the proposal does not impact all sections of the community.</p>

<p><b>10</b></p>	<p><b>Have any support / guidance / training requirements been identified?</b>  <i>(Has the EIA or consultation process shown a need for awareness raising amongst staff, or identified the need for Equalities or Welsh Language training of some sort?)</i></p> <p>No</p>
	<p><b>Actions required:</b></p> <p>None</p>

<b>11</b>	<p><b>Where you have identified mitigating factors in previous answers that lessen the impact on any particular group in the community, or have identified any elsewhere, please summarise them here.</b></p> <p>N/A</p>
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<b>12</b>	<p><b>What wider use will you make of this Equality Impact Assessment?</b>  <i>(What use will you make of this document i.e. as a consultation response, appendix to approval reports, publicity etc. in addition to the mandatory action shown below?)</i></p> <p>It will be used to support the proposal to adopt the WG scheme going before Cabinet in September 2018.</p>
	<p><b>Actions required:</b></p> <ul style="list-style-type: none"> <li>• EIA, when completed, to be returned to <a href="mailto:equalities@caerphilly.gov.uk">equalities@caerphilly.gov.uk</a> for publishing on the Council's website.</li> </ul>

<b>Completed by:</b>	John Carpenter
<b>Date:</b>	August 2018
<b>Position:</b>	Council Tax & NNDR Manager
<b>Name of Head of Service:</b>	Nicole Scammell



## CABINET - 19TH SEPTEMBER 2018

**SUBJECT: ELECTRIC VEHICLE STRATEGY AND ACTION PLAN**

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

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- 1.1 The attached report, which was considered by the Policy and Resources Scrutiny Committee on 6th September 2018, outlined the Council's draft Electric Vehicle Strategy and Action Plan and sought the views and recommendations of Members on its contents prior to presentation to Cabinet.
  - 1.2 Members were advised that Caerphilly County Borough Council's first Electric Vehicle Strategy and Action Plan (appended to the report) presents an innovative and strategic approach for electric vehicles across the county borough. It sets out the proposed approach to supporting the installation of electric vehicle infrastructure to maximise the economic, social and environmental benefits and opportunities that electric vehicles provide, and for electric vehicles to be a fundamental part of the Council's own fleet.
  - 1.3 Officers outlined the growing market in electric vehicles, arising from the UK Government's announcement to ban new diesel and petrol vehicles from sale in the UK from 2040 and the increasing number of car manufacturers investing in the new technology. Advances in battery technology in particular have allowed electric vehicles to have ranges in excess of 180 miles on a full battery charge, and the number of new electric and hybrid vehicle registrations in Wales rose by 35% in 2017, with 82 electric vehicle registrations in the Caerphilly county borough. However there are currently no publicly available electric vehicle charge points in the Caerphilly county borough and only 439 charge points across Wales.
  - 1.4 Therefore a strategy to support the implementation of electric vehicles and electric vehicle charge points is required to progress this important work. This will put into place the infrastructure to support staff and residents to invest in electric vehicles and encourage visitors who drive electric vehicles to visit the county borough. The strategy also includes the promotion and installation of infrastructure to support electric bikes (E-bikes), electric mopeds and other electric vehicles that contribute to the overall aims of the strategy. Members were also referred to the aims and key objectives of the CCBC Electric Vehicle strategy as set out in the report.
  - 1.5 Following consideration of the report, the Policy and Resources Scrutiny Committee were supportive of the proposals outlined in the draft Strategy and felt that it was important for Caerphilly County Borough Council to lead by example, and therefore unanimously recommended to Cabinet that for the reasons contained therein, the draft Electric Vehicle Strategy and Action Plan as appended to the report be approved, in order to encourage further take-up of electric vehicle usage.
  - 1.6 Cabinet is asked to consider the above recommendation.

Author: R. Barrett, Committee Services Officer, Ext. 4245

Appendices:

Appendix A Report to Policy and Resources Scrutiny Committee on 6th September 2018 - Agenda Item 11



## POLICY AND RESOURCES SCRUTINY COMMITTEE – 6TH SEPTEMBER 2018

**SUBJECT: ELECTRIC VEHICLE STRATEGY AND ACTION PLAN**

**REPORT BY: CORPORATE DIRECTOR – EDUCATION & CORPORATE SERVICES**

### 1. PURPOSE OF REPORT

- 1.1 To present to the Committee the draft Electric Vehicle Strategy and Action Plan attached at Appendices 1 and 2 and seek any recommendations prior to presentation to Cabinet.

### 2. SUMMARY

- 2.1 Caerphilly County Borough Council's first Electric Vehicle Strategy and Action Plan sets out the proposed approach to supporting the installation of electric vehicle infrastructure to maximise the economic, social and environmental benefits and opportunities that electric vehicles provide, and for electric vehicles to be a fundamental part of the Council's own fleet. The Committee's views are sought prior to presentation to Cabinet.

### 3. LINKS TO STRATEGY

- 3.1 Green and renewable energy contributes to several of the Well-being goals within the Well-being of Future Generations Act (Wales) 2015, including:
- A prosperous Wales
  - A resilient Wales
  - A healthier Wales
  - A more equal Wales
  - A Wales of cohesive communities
  - A globally responsible Wales

Green and renewable energy also supports the Protect and enhance the local natural environment action area and the Asset management enabler identified within the Caerphilly Public Services Board Well-being Plan 2018-2023, supporting the Positive Change, Positive People and Positive Places objectives.

The work also supports the following Corporate Well-being Objectives, identified within the Council's Corporate Plan 2018-2023:

- Promote a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and minimises the adverse impacts on the environment
- Creating a county borough that supports a healthy lifestyle in accordance with the Sustainable Development Principle within the Well-being of Future Generations (Wales) Act 2015

## 4. THE REPORT

- 4.1 The draft Electric Vehicle Strategy and Action Plan presents an innovative and strategic approach for electric vehicles across the county borough.
- 4.2 The UK Government recently announced its plans to ban new diesel and petrol vehicles from sale in the UK from 2040. Vehicle manufactures are working to advance technology in electric vehicles along with other alternative fuel vehicles and to build consumer interest.
- 4.2.2 Electric vehicles have been in use for many years, however it is only in recent years that they have become accessible to the everyday motorist. Advances in battery technology in particular have allowed electric vehicles to have ranges in excess of 180 miles on a full battery charge. All the major car manufactures are investing in electric or hybrid vehicles with many new electric vehicles coming to the market this year.
- 4.2.3 Electric vehicles is a growing market, albeit slowly. The number of new electric and hybrid vehicle registrations in Wales rose by 35% in 2017, with 82 electric vehicle registrations in the Caerphilly County Borough. There are currently no publicly available electric vehicle charge points in the Caerphilly county borough and only 439 charge points across Wales.
- 4.2.4 Therefore a strategy to support the implementation of electric vehicles and electric vehicle charge points is required to progress this important work. This will put into place the infrastructure to support our staff and residents to invest in electric vehicles and encourage visitors who drive electric vehicles to visit the county borough.
- 4.2.5 The strategy also includes the promotion and installation of infrastructure to support electric bikes (E-bikes), electric mopeds and other electric vehicles that contribute to the overall aims of the strategy.
- 4.2.6 The aims of the CCBC Electric Vehicle strategy are to:
- Provide electric vehicle infrastructure across the Caerphilly county borough
  - Lead by example incorporating electric vehicles into our fleet and trial new technologies as they evolve
  - Work with private developers to incorporate electric vehicle infrastructure into new builds and developments
  - Work with our partners and local businesses to encourage them to adopt a similar approach to electric vehicles and their infrastructure
- 4.2.7 The key objectives of the CCBC Electric Vehicle Strategy and Action Plan are to:
- Support an integrated network of EV charge points
  - Undertake a feasibility study for electric vehicle charge point infrastructure, working with Gwent local authorities and PSB partners
  - Trial new technologies as they evolve to ensure that charging infrastructure keeps pace with vehicle technology and the needs of residents and businesses
  - Maximise the benefits of Welsh Government and other funding opportunities
  - Encourage private developers and landowners to provide EV charging points to facilitate the public to switch to low carbon vehicles
  - Encourage private sector organisations to deliver electric vehicle charging points
  - Raise awareness of the electric vehicle market so people can understand the options for and benefits of EV ownership, including electric cars, mopeds and E-bikes
  - Increase deployment of electric vehicles within the Council's own fleet to reduce the Council's own carbon emissions whilst carrying out its business
  - Encourage and support our employees to switch to low carbon vehicles (full battery or hybrid)

- Address air quality issues that have, or will arise, due to transport related issues
- Inform and complement the County Borough Council's wider policies on transport contained in the Local Transport Plan
- Take a coordinated approach across the council for the electric vehicle agenda
- Work with PSB partners on joint actions to share good practice and maximise assets

4.2.8 The strategy presents the Council's first Electric Vehicle Action Plan which is designed to develop an innovative and strategic approach for electric vehicles across the county borough. This will develop the infrastructure for, and encourage uptake of, electric vehicles in Caerphilly county borough. This will ensure not only that the council is up to date with developments but also that we are maximising the benefits and opportunities for electric vehicles.

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

- 5.1 Renewable energy initiatives contribute to the Well-being Goals as set out in Links to Strategy above and contribute to a number of the Council's objectives. In particular they contribute to a Globally Responsible Wales reducing the activities that promote climate change and noting that climate change itself has been identified as a risk within the Corporate Risk Register. Similarly they support a resilient Wales and offer a long term source of energy when other non-renewable sources have become depleted.
- 5.2 Renewable energy schemes reduce or remove pollution from diesel and petrol vehicles and emissions to air arising from carbon based energy sources, therefore promoting a Healthier Wales. They can also support a Prosperous Wales by reducing the financial cost of energy and longer term offer opportunities for employment through the growth of the renewable energy sector within the county borough.
- 5.3 Renewable energy schemes are consistent with the five ways of working as defined within the sustainable development principle in the Act in that they are a long term measure capable of providing energy that will sustain into future generations. The projects under consideration will support the development of an infrastructure which will prevent the on-going reliance on carbon based fuels in the future. They also provide opportunities to involve our communities in the development and use of renewable energy, and to collaborate with schools and other sectors.

## **6. EQUALITIES IMPLICATIONS**

- 6.1 No Equalities Impact Assessment has been done on this report, however Sustainable Development and Equalities interact on many levels and work done in one area often supports the other. Creating sustainable communities, employment and transport for example, is of benefit to all the residents of Caerphilly county borough, regardless of their individual circumstances or backgrounds.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 The implementation of the Electric Vehicle Strategy and Action Plan will require investment in infrastructure. A separate report identifying funding options, including the grant support available is being prepared. There are potential cost savings to Services using electric vehicles rather than petrol or diesel engine vehicles.

## **8. PERSONNEL IMPLICATIONS**

- 8.1 There are no personnel implications arising directly from 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 Policy and Resources Scrutiny Committee consider the draft CCBC Electric Vehicle Strategy and Action Plan at Appendices 1 and 2 and offer any recommendations prior to presentation to Cabinet.

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

- 11.1 To develop further the Council's commitment to electric vehicles and electric vehicle charge points.

## **12. STATUTORY POWER**

- 12.1 None.

Author: Tracy Evans, Policy Officer  
Consultees: Cllr D Poole, Leader of the Council  
Richard Edmunds, Corporate Director, Education & Corporate Services  
Mark S Williams, Interim Corporate Director Communities  
Cllr N. George, Cabinet Member for Neighbourhood Services  
Cllr S. Morgan, Cabinet Member for Economy, Infrastructure, Sustainability & Wellbeing of Future Generations Champion  
Marcus Lloyd, Head of Infrastructure  
Rhian Kyte, Head of Regeneration and Planning  
Rob Hartshorn, Head of Policy and Public Protection  
Mark Williams, Interim Head of Property  
Nicole Scammell, Head of Corporate Finance  
Kath Peters, Corporate Policy Manager  
Paul Rossiter, Energy & Water Officer  
Mary Powell, Fleet Manager  
Paul Cooke, Senior Policy Officer  
Anwen Cullinane, Senior Policy Officer (Equalities and Welsh Language)  
Shaun Watkins, HR Manager

Appendices:  
Appendix 1 CCBC Electric Vehicle Strategy  
Appendix 2 CCBC Electric Vehicle Strategy Action Plan

## Caerphilly County Borough Council Electric Vehicle Strategy

March 2018

### Executive Summary

This strategy presents the Council's first Electric Vehicle Action Plan which is designed to develop an innovative and strategic approach for electric vehicles across the county borough. This will develop the infrastructure for, and encourage uptake of, electric vehicles in Caerphilly county borough. This will ensure not only that the Council is up to date with developments but also that we are maximising the benefits and opportunities for electric vehicles.

Caerphilly County Borough Council will show leadership through delivering this Electric Vehicle Strategy to support our residents and staff to invest in electric vehicles, by providing the required infrastructure, while also encouraging visitors who drive electric vehicles to visit the county borough.

This strategy focuses on all types of electric and hybrid vehicles including cars, vans, buses, mopeds and bikes.

The Key Aims of this strategy are to:

- Provide electric vehicle infrastructure across the Caerphilly County Borough.
- Lead by example incorporating electric vehicles into our fleet and trial new technologies as they evolve.
- Work with private developers to incorporate electric vehicle infrastructure into new builds and developments.
- Work with our partners and local businesses to encourage them to adopt a similar approach to electric vehicles and their infrastructure.

The Key Objectives are to:

- Support an integrated network of EV charge points;
- Trial new technologies as they evolve to ensure that charging infrastructure keeps pace with vehicle technology and the needs of residents and businesses;
- Maximise the benefits of Welsh Government funding opportunities;
- Encourage private developers and landowners to provide EV charging points to facilitate the public to switch to low carbon vehicles;
- Encourage private sector organisations to deliver electric vehicle charging points;
- Raise awareness of the electric vehicle market so people can understand the options for and benefits of EV ownership, including electric cars, mopeds and E-bikes;
- Increase deployment of electric vehicles within the Council's own fleet to reduce the Council's own carbon emissions whilst carrying out its business;
- Encourage our employees to switch to low carbon vehicles (full battery or hybrid);

- Address air quality issues that have, or will arise, due to transport related issues;
- Inform and complement the County Borough Council's wider policies on transport contained in the Local Transport Plan;
- Take a coordinated approach across the council for the electric vehicle agenda;
- Work with PSB partners on joint actions to share good practice and maximise assets.

## 1. Introduction

The majority of vehicles on the streets of Caerphilly County Borough today run on either petrol or diesel fuel. However, the situation is changing due to the advances in new technology and the issues surrounding current technology. Petrol and diesel are known to cause pollution which is dangerous to public health and contributes to climate change.

For these reasons the UK Government recently announced its plans to ban new diesel and petrol vehicles from sale in the UK from 2040. Due to this, vehicle manufacturers are working to advance technology in electric vehicles along with other alternative fuel vehicles and to build consumer interest.

Electric vehicles is a growing market, albeit slowly. The number of new electric and hybrid vehicle registrations in Wales rose by 35% in 2017, compared to the previous year. Wales is ahead of the UK average of 27% growth (figures from Go Ultra Low Partnership). Recent figures released by the Department of Transport for the Caerphilly County Borough indicate that in September 2016, there were 64 electric vehicles registered. By September 2017 there were 82, which is an increase of 18 new electric vehicles or 28 %.

Although the figures are increasing, they represent a tiny fraction of total car use. Overall there are about 2,500 plug-in vehicles in Wales and 439 charge points across Wales. Looking at the bigger picture, there are 4,476 charge points across the UK with 12,849 individual connectors, with electric vehicles representing 1.83% of all UK traffic. There are currently no public electric vehicle charge points in Caerphilly County Borough.

Therefore a strategy to support the implementation of electric vehicle charge points in Caerphilly County borough, along with the provision of fleet electric vehicles is required to progress this important work. This will put into place the infrastructure to support our residents to invest in electric vehicles and encourage visitors who drive electric vehicles to visit the county borough.

The profile of electric vehicles is now growing and is seen as a contributor to reducing carbon emissions and improving air quality. Road transport is responsible for over 90% of the UK's domestic transport emissions. Although we cannot stop people using their cars, we can encourage them to travel in low emission vehicles,

provided the infrastructure is in place to support this. This strategy also includes the promotion and installation of infrastructure to support electric bikes (E-bikes), electric mopeds and other electric vehicles that contribute to the overall aims of the strategy.

There are many benefits from electric vehicles. Compared to conventional cars they emit substantially less carbon emissions. The vehicles are also cleaner with far less exhaust emissions and deliver direct air quality improvements. However, electric vehicles should be viewed as part of a solution with respect to overall transport objectives, alongside promoting a modal shift to public transport, active travel, walking and cycling, as they all support the wider sustainable transport and low emission transport agenda.

We need to use the various levers available to us, such as: the planning process, infrastructure opportunities on council owned property, diversifying our own fleet and work with partners to lead by example on this area of work.

This strategy presents the Council's first Electric Vehicle Action Plan which is designed to develop an innovative and strategic approach for electric vehicles across the county borough. This will develop the infrastructure for, and encourage uptake of, electric vehicles in Caerphilly county borough. This will ensure not only that the Council is up to date with developments but also that we are maximising the benefits and opportunities for electric vehicles.

## **2. Vision:**

Introduce an electric vehicle infrastructure across Caerphilly county borough, to maximise the economic, social and environmental benefits and opportunities that the electric vehicle agenda will provide.

Take a coordinated approach across the council to introduce electric vehicles as a fundamental part of our fleet to reduce the council's own carbon emissions whilst carrying out its business.

## **3. Aims:**

Our key aims are to:

- Provide electric vehicle infrastructure across the Caerphilly County Borough.
- Lead by example incorporating electric vehicles into our fleet and trial new technologies as they evolve.
- Work with private developers to incorporate electric vehicle infrastructure into new builds and developments.

- Work with our partners and local businesses to encourage them to adopt a similar approach to electric vehicles and their infrastructure.

#### **4. Objectives:**

Caerphilly County Borough Council will show leadership through delivering this Electric Vehicle Strategy to achieve the following to:

- Support an integrated network of EV charge points;
- Trial new technologies as they evolve to ensure that charging infrastructure keeps pace with vehicle technology and the needs of residents and businesses;
- Maximise the benefits of Welsh Government funding opportunities;
- Encourage private developers and landowners to provide EV charging points to facilitate the public to switch to low carbon vehicles;
- Encourage private sector organisations to deliver electric vehicle charging points;
- Raise awareness of the electric vehicle market so people can understand the options for and benefits of EV ownership, including electric cars, mopeds and E-bikes;
- Increase deployment of electric vehicles within the Council's own fleet to reduce the Council's own carbon emissions whilst carrying out its business;
- Encourage our employees to switch to low carbon vehicles (full battery or hybrid);
- Address air quality issues that have, or will arise, due to transport related issues;
- Inform and complement the County Borough Council's wider policies on transport contained in the Local Transport Plan;
- Take a coordinated approach across the council for the electric vehicle agenda;
- Work with PSB partners on joint actions to share good practice and maximise assets.

#### **5. Policy Context:**

##### **5.1 National Policy**

The UK Government recently announced its plans to ban new diesel and petrol vehicles from sale in the UK from 2040. This supports the Air Quality Plan for Nitrogen Dioxide in the UK published by the Department for Environment, Food & Affairs and the Department for Transport.

The Queen's Speech in June 2017 referred to the advance in electric vehicles as part of the Automated and Electric Vehicles Bill. If this Bill is approved, this will release an £800m fund for investment in new technology for zero emission and driverless vehicle technology.

The UK Government announced a £255m fund in 2017 to help councils tackle emissions, including the potential for charging zones for air polluting vehicles.

The UK Government published 'Making the Connection: the Plugged in Vehicle Infrastructure Strategy' in 2011. At the time of this strategy, the Government envisaged most electric vehicles being recharged overnight, at homes or in fleet depots. This would have enabled the demand for electricity to be balanced across day and night, increasing energy savings and the uptake of electric vehicles.

Range anxiety was one of the key barriers to the uptake of electric vehicles identified in the strategy. The provision of charge point infrastructure across Wales would remove this barrier and help to increase the uptake of electric vehicles across Wales and in Caerphilly County Borough.

## 5.2 Regional Policy

### **Office for Low Emission Vehicles:**

Making the Connection, the Plug-in Vehicle Infrastructure Strategy 2011 identifies that low and ultra low emission vehicles are a vital part of the Government's plans for a modern transport system that promotes economic growth while delivering on its climate change targets. The strategy sets out a vision for recharging infrastructure in the UK and the steps that we, and other industry players, will need to take to make it a reality in the years ahead. It identifies the need to shift to low emission vehicles to reduce transport emissions and decarbonise road transport, with an emphasis on plug-in electric vehicles.

### **Welsh Government:**

Welsh Government has not produced a specific policy on electric vehicles as yet, although their 'Achieving our low Carbon Pathway to 2030' is out for consultation until October 4<sup>th</sup> 2018, as part of their Decarbonisation Programme, which includes a section on transport and makes reference to electric vehicles and to electric vehicle charging networks. Welsh Government also have a £2 million fund available for electric vehicle charging infrastructure, with a spend profile of £1million for 2018/19 and £1 million for 2019/20.

### **The Well-being of Future Generations (Wales) Act 2015:**

As part of the Well-being of Future Generations Act, public bodies will need to take account of the issues around health, resource consumption, the environment and biodiversity etc. on our future generations as well as the impacts of climate change when developing their well-being objectives. Addressing the issues around health, well-being, resource consumption along with the climate change impacts and

decarbonisation are crucial to achieving the objectives of the Act. By introducing a greener energy infrastructure we would be contributing to achieving emission reductions and improved air quality, as well as reducing unsustainable resource consumption and helping to mitigate the impacts of climate change in Caerphilly county borough and beyond.

Introducing electric vehicles into the county borough would meet several of the well being goals including:

- A prosperous Wales – using our resources sustainably to support the local economy and switching to alternative energy sources to help prevent rising costs of decreasing fossil fuels.
- A resilient Wales – supporting a rich and healthy environment that enhances biodiversity and helps us deal with decreasing fossil fuels. Embracing new technologies and improved management of our assets will all contribute to a resilient Wales.
- A healthier Wales – providing an environment that enhances health and well-being with reduced pollution levels and improved air quality.
- A Wales of cohesive communities – providing opportunities for communities to benefit from sustainable technology and environmentally friendly based schemes.
- A globally Responsible Wales – reducing our carbon footprint and increasing our use of renewable energy sources to reduce greenhouse gas emissions and have a positive impact on our local environment, which will have a wider impact both locally and globally.

### **The Environment (Wales) Act:**

The Environment (Wales) Act puts in place the legislation needed to plan and manage' the natural resources of Wales in a more proactive, sustainable and joined up way. Decarbonisation of the transport sector is essential if the Environment Act (Wales) 2015 target to deliver 80% carbon reductions by 2050 is to be met and in delivering on obligations set out in the Air Quality Standards (Wales) Regulations 2010.

### **The Air Quality Standards (Wales) Regulations 2010:**

These regulations bring into the law in Wales the limits set out in European Union Directives on Air Quality. The regulations require that Welsh Ministers divide Wales into air quality zones.

Since the introduction of the Environment Act 1995 and the National Air Quality Strategy (NAQS) all local councils have a duty to review and assess the local air quality and, if necessary, take steps to improve air quality at any location where

national standards are not met. There are two air quality management areas in the county borough causing exceedances of National Air Quality Objectives. These are Caerphilly Town Centre and Hafodyrynys for nitrogen dioxide, the main source of which is vehicle emissions.

### 5.3 Local Policy

#### **Caerphilly PSB Local Well-being Plan:**

The Local Well-being Plan highlights the four well-being objectives for the Caerphilly Public Services Board, which are:

- Positive Change - A shared commitment to improving the way we work together;
- Positive Start – Giving out future generations the best start in life;
- Positive People – Enabling our communities to be resilient and sustainable;
- Positive Places – Enabling our communities to be resilient and sustainable.

The Well-being Delivery Plan identifies four enablers and five action areas to ensure we meet the four Well-being objectives, while taking into account the seven well-being goals and the five ways of working. The objectives are integrated and so coordinating our resources and activity will have the greatest effect on achieving them.

Introducing electric vehicle charge points into Caerphilly county borough and electric vehicles into the Council's fleet would contribute to the resilient communities, health and well-being and environment action areas and the asset management, procurement and working together enablers. By working together collaboratively across partner organisations, the actions will help to bring about long term improvements in well-being for our residents.

#### **Caerphilly County Borough Council 2017 Air Quality Progress Report:**

This report identifies five different locations within the non-automatic tube data across the local authority that exceeds the National Air Quality Objective for Nitrogen Dioxide (NO<sub>2</sub>). Of the five exceedances identified, two locations are situated within Caerphilly Town and 3 within Hafodyrynys Air Quality Management Areas.

There are a large number of proposed housing developments in Caerphilly that are currently going through the planning process which will need to be assessed in terms of their impact on local air quality. A Developers Guide is currently being drafted with regard to air quality and what information should be considered when a planning application is submitted and assessed. Introducing the requirement for electric vehicle charging infrastructure into all new developments and across the county borough could help reduce the impact of traffic emissions and pollutants of new developments within the county borough.



The report also identifies a series of actions, which includes 'investigating the potential for the use of electric vehicles in the Council's fleet to reduce vehicle emissions'.

There are also actions in the report promoting active and sustainable travel, along with improving walking and cycling routes, which supports the suggestion that electric vehicles should be seen as part of a solution with respect to reducing transport emissions. This links to the work the authority is undertaking on Active Travel Routes, demonstrating a joined up approach.

### **A Foundation for Success, Regeneration Strategy 2018-2023:**

The strategy concentrates on four strategic themes, namely, Supporting People, Supporting Businesses, Supporting Quality of Life and Connecting People & Places.

A variety of actions detailed within the strategy support the introduction of electric vehicles and charging infrastructure including the following:

- Improve access to affordable and variable transport;
- Explore and support energy efficiency initiatives and renewable energy generation;
- Ensure that green energy infrastructure is an integral issue in the development of all plans and strategies;
- Increase the use of electric vehicles and provide the necessary infrastructure to support them.

### **Biodiversity Duty:**

Caerphilly County Borough Council has a legal duty to maintain and enhance biodiversity and in doing so promote the resilience of ecosystems under the Environment (Wales) Act. The Caerphilly Biodiversity Plan highlights using the green infrastructure approach as a means of delivering multiple benefits, by reducing pollution and improving site management, to increase the resilience of our natural environment.

### **CCBC Carbon Reduction Strategy:**

Caerphilly's Carbon Reduction Strategy aims to reduce carbon emissions by 45% on 07/08 emissions levels. There are four key themes established to achieve this, Good Housekeeping, Invest To Save, Asset Management and Renewable Technology. The strategy focuses on buildings and street lighting and the primary objective is to reduce carbon emissions that are a direct result of Gas and Electricity usage.

The authority has a legal requirement to display Display Energy Certificates (DEC) which show how efficiently a building and its occupants is using energy. It is important not to add to a building's energy consumption. With this in mind the authority will try whenever possible to separate road emissions by installing independent billing and metering supplies, and to not add to the buildings existing electrical usage through electric vehicle charging. This will help prevent DEC ratings increasing and follow the principles of the Carbon Reduction Strategy.

#### **Local Authority Transport Plan (South East Wales Valleys Local Transport Plan, January 2015):**

The plan aims to target investment, support economic growth, reduce economic inactivity, tackle poverty and encourage safer, healthier and sustainable travel. The wider goals of the plan includes: to protect the environment, by minimising transport emissions and consumption of resources and energy, by promoting walking, cycling, quality public transport, modal shift and minimising demand on the transport system.

Unfortunately there is no mention of electric vehicles or electric vehicle infrastructure in the plan, but this might be due to the technology of electric vehicles and charge points during the development of the plan. With the advances in technology over the past few years, electric vehicles should be included as a priority within the plan. The plan does include actions on sustainable and active travel and makes reference to environmental benefits.

#### **S106 Obligations and the Community Infrastructure Levy:**

Planning obligations, also known as Section 106 agreements are private agreements made between local authorities and developers and can be attached to planning permission to make a development proposal acceptable in planning terms that would not otherwise be acceptable. They are focused on site specific mitigation of the impact of development. S106 agreements are often referred to as 'developer contributions' along with highway contributions and the Community Infrastructure Levy.

Section 106 funding could be used to support the implementation of electric vehicle charge point infrastructure in town centres and villages across the Caerphilly county borough.

## **Future Generations Advisory Panel (FGAP):**

The FGAP have received reports and regular updates on sustainable transport and electric vehicles. The draft CCBC Electric Vehicle Strategy was endorsed by FGAP at its meeting on the 8<sup>th</sup> March 2018.

## **6. Technology**

### **6.1 Vehicles**

The UK has seen a gradual increase in ultra-low emission vehicles, including electric vehicles, with a 35% increase in Wales. Electric vehicles represent 1.83% of all UK traffic, but with development in technology and the provision of charging infrastructure this is expected to increase significantly in the future.

Electric vehicles are broken down into three types, Pure Electric Vehicles, Plug-in Hybrid Vehicles (which includes extended range vehicles) and Hydrogen Fuel Cell Vehicles

- Pure Electric Vehicles (EV) – rely solely on battery power. Electric cars can travel between 100 and 250 miles on a single charge. There are a variety of electric car types available from a most vehicle manufactures. In addition there are E-Bikes, electric mopeds and other electric vehicles.
- Plug-in Hybrid Vehicles (PHEV) – have a conventional petrol or diesel engine alongside an electric motor. They have a short range on electric power (up to 40 – 50 miles) but can extend their distances using the conventional engine. Again there are a variety of vehicles available.
- Extended Range Plug-in Hybrid Vehicles (E-REV) – have a plug-in battery pack and an electric motor, as well as a combustion engine. The electric motor always drives the wheels, with the internal combustion engine acting as a generator to recharge the battery when it is depleted. Range extenders can have a pure electric range of up to 100 miles, although they are not as fuel efficient as the EV's or PHEV's
- Hydrogen Fuel Cell Electric Vehicles (FCEV) – are still at the development stage with limited production due to the difficulties of hydrogen production, storage and refuelling. These will not be included in the CCBC Electric Vehicle strategy, but depending on developments, these could be a suitable alternative to larger vehicles in the foreseeable future.

### **6.2 Charge points**

There are currently three different types of charge points, with different power levels associated to them. These are the slow 3Kw charge point, the fast 7Kw charge point and the rapid 22Kw to 50Kw charge point.

- The 3Kw slow charge point can be either a standard household 3 pin plug on a dedicated circuit or via a home charge point. A typical full charge will take between 7 and 8 hours, although on newer vehicles with increased battery life, this charge time could be doubled. It is usually used for overnight charging at work or home due to the slow charge times. These are relatively inexpensive to install and funding is available towards the cost of home charge points
- The 7Kw fast charge point requires a dedicated power source and connecting cable. It usually takes between 3 to 4 hours to charge an electric vehicle to full capacity. This type of charge point is becoming popular in many on-street or public car park charge points, super markets and work places due to its relatively quick charge time. These are relatively inexpensive to install depending on the location and electricity supply.
- The 22Kw to 50Kw rapid charge points will charge a vehicle in around 30 to 50 minutes. These are usually seen on motorway service stations due to their fast charge times as many users can benefit from them during the day. These are very expensive to install and require a high power supply.

### **6.3 Challenges**

The EV industry has made big technological advances in the past few years to address issues such as range anxiety, battery power and charging times. There are still some challenges and issues in moving the EV agenda forward. Some of these include the ongoing development of charge points and their cost, the electrical grid constraints and the costs to connect to the grid. The EV agenda is constantly moving forward so it's difficult to keep ahead of the game or know how the technology will move forward or when it will halt.

## **7. Funding:**

### **National Funding**

The UK Government has made a commitment to support the development of Ultra Low Emission Vehicles (ULEV's) and announced its plans to ban new diesels and petrol vehicles from sale in the UK from 2040. Government support for electric vehicles exists in the form of the Plug-in Vehicle Grant towards the purchase of vehicles, and the Electric Vehicle Home charge Scheme to assist with costs of installation of a home charger.

Other grant schemes are available to local authorities. £4.5 million funding is available until 31<sup>st</sup> March 2020 through the OLEV On-Street Residential Chargepoint Scheme and the Work Place Charging Scheme. The On-Street Residential Chargepoint Scheme to increase the availability of plug-in vehicle charging infrastructure for residents who do not have access to off street parking, and it can also be used in public car parks (run by the local authority or other public body). The Work Place Charging Scheme is a voucher based scheme that provides support of up to £300 per unit towards the up-front costs of the purchase and installation of up to 20 work place charge points.

Charge point companies can provide the 25% match funding for Local Authorities applying for the OLEV funding. The procurement process would need to ask for the business model to be included, to determine how this would work in regards to income generation, ownership and maintenance of the charge points.

If there is plans for upgrading the street lighting, and the application included plans to install charge points on street lighting then the budget used for the upgrade could also be used towards the 25% match funding required.

### **Regional Funding:**

Welsh Government announced a £2m fund for Electric Vehicle Charging Infrastructure, with a spend profile of £1m for 2018/19 and £1m for 2019/20. Their aim is to have a strategic approach throughout Wales and they are meeting with key contacts from all 22 Welsh Local Authorities to ensure they achieve this approach.

## **8. Overview of current situation in Caerphilly County Borough**

### **CCBC Electric Vehicle Trial project - Pool vehicle and Meals on Wheels service vehicle**

For an annual mileage of around 10,000 miles, switching from a conventional vehicle to an electric vehicle would save around £800 in fuel costs alone. Based on this, an electric vehicle trial project was approved by CMT in February 2017 to install slow electric vehicle charge points and to lease three electric vehicles, one for the Meals on Wheels Service, one for the Countryside Service and one to be used as a pool vehicle. The vehicles would be leased on a 3 year basis allowing the authority to take advantage of ongoing improvements to electric vehicle technology in a few years time.

The pool vehicle will be available for individual employees to use as well as for service areas to use to determine if they could deliver their service using an electric vehicle.

Six slow charge units have been installed at Penallta House and five at Tir y Berth Depot.

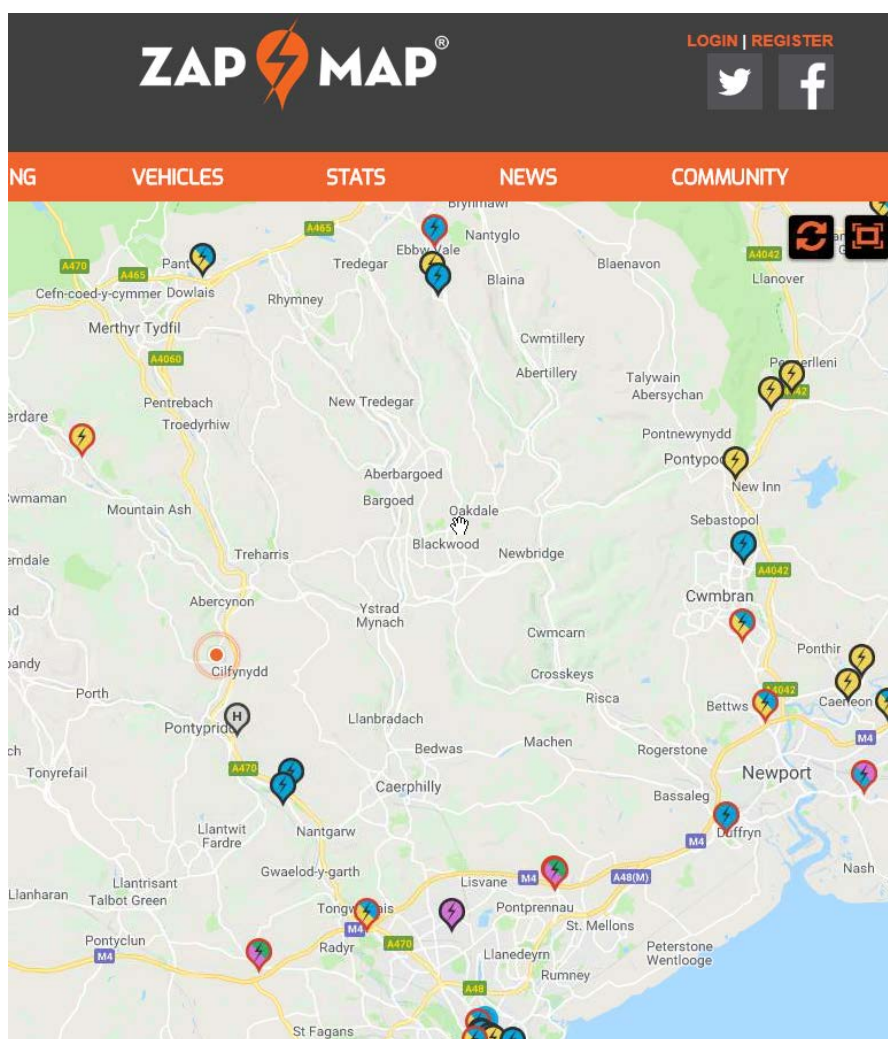
Fast charge units are also being installed to support the trial project and provide the necessary infrastructure for future EV projects.

### **CCBC Electric Vehicle Strategy Group**

An electric vehicle strategy group has been established by the Head of Policy & Public Protection with representatives from Policy, Air Quality, Planning, Engineering and Regeneration. This group will have the remit to oversee the Action Plan through a co-ordinated approach to ensure that there are robust mechanisms and processes in place to deliver the Action Plan.

### **Charging Infrastructure in the Caerphilly County Borough**

There is insufficient provision for electric vehicle charge points in Caerphilly county borough to support or encourage electric vehicle users. There are currently no public charge points in Caerphilly County Borough for residents and/ or visitors to use. The Zap Map (<https://www.zap-map.com/>) is used by electric vehicle users to identify charge points accessible to them.



Zap Map for the Caerphilly County Borough, showing charge points in the surrounding area, but none in the Caerphilly County Borough.

### Expected Demand

Recent figures released by the Department of Transport show that in September 2016, there were 64 electric vehicles registered in the Caerphilly County Borough. By September 2017 there were 82, which is an increase of 18 new electric vehicles or 28 percent.

It is difficult to project the expected growth of electric vehicles in Caerphilly County Borough, but the growth could be increased by the provision of an electric vehicle charging infrastructure. The critical factor supporting electric vehicle uptake is the network size, speed and availability of suitable charge points. Too few options will delay the growth of electric vehicle usage and ownership as well as discourage visitors and potentially impact on local businesses. Although having too many charge points could result in charging spaces left empty, which would have a negative impact on other parking.

It is impossible to determine usage for electric vehicles at this stage as it will vary according to each vehicle's journey and owner's lifestyle. As the uptake increases and charge points are installed, and then their usage can be monitored for future developments and expansion of the infrastructure, if and when required.

### **Challenges**

There are also a number of challenges to be overcome in order to provide an electric vehicle charging infrastructure:

- Controlled parking zones – would require Traffic Regulation Orders
- Location of charge points
- Power requirements – grid connections for charge points (access and cost)
- Payment by users
- Other utilities
- Change in technology – will the vehicles and/ or infrastructure become outdated before the end of their lifetime?
- Number of charge points
- Potential for adding electricity usage onto the carbon footprints of buildings
- Projected growth/ demand
- CCBC Air Quality

### **Opportunities**

There are also a number of opportunities for installation of electric vehicle charge points, including:

- Council owned car parks
- Visitor centres
- Town centres
- Supermarkets
- New builds/ developments in the county borough
- Private developers – include in all plans and new developments
- Partnership working – private sector organisations/ local organisations
- Work with charge point installation companies to ensure they fund the 25% match funding required for the OLEV funding
- Link funding applications to planned upgrades (street lighting and EV charge points on street lighting), to maximise how you provide match funding
- Work with PSB partners to share assets (vehicles and charge points) to introduce and expand the EV Charge point infrastructure and vehicle usage

### **Action Plan**



This Electric Vehicle Strategy is accompanied by an Electric Vehicle Action Plan that sets out the programme of actions that the Council intends to take to achieve the aims and objectives of this strategy.

## **Electric Vehicle Strategy Action Plan**

This action plan has been developed to accompany the Electric Vehicle Strategy. It sets out the programme of actions that the council intends to take to achieve the aims and objectives detailed in the Electric Vehicle Strategy.

### **Action Plan**

#### **Objective 1: To support an integrated network of EV charge points**

- Undertake a feasibility study using a suitably qualified consultant to identify suitable locations and charging infrastructure across the county borough. The proposed study would also look at the level of investment needed, and the funding options available that could support the project, along with the possible revenue to the council from the charging infrastructure.
- Provide a network of charge points for residents, businesses and visitors of the county borough.

#### **Objective 2: To trial new technologies as they evolve to ensure that charging infrastructure keeps pace with vehicle technology and the needs of residents and businesses**

- Identify opportunities within the county borough for other new technologies, working in partnership to pilot projects
- Identify and explore opportunities for e-bike charging facilities at tourism sites, to support active travel and electric vehicles
- Identify and explore opportunities to link PVs and Green Electricity Generation to the EV Infrastructure

#### **Objective 3: To maximise the benefits of Welsh Government (and other) funding opportunities**

- Work with Welsh Government and other partners to secure WG funding to install and expand EV charge point infrastructure across the county borough
- Explore opportunities to bid for OLEV Off Street Residential Charge Point funding and Workplace charging funding to support the implementation of the EV charge point infrastructure across the county borough
- Establish an Electric Vehicle Task & Finish Group to undertake the work required to submit the funding applications

**Objective 4: To encourage private developers and landowners to provide EV charging points to facilitate the switch to low carbon vehicles**

- As early as possible in the planning application process the council will seek to encourage developers, wherever possible, to include the provision of EV charging points in their developments
- Council will consider opportunities where appropriate to install EV charge points at Council refurbishments and new development projects

**Objective 5: To encourage private sector organisations to deliver electric vehicle charging points**

- Work with Planning to encourage private developers and land owners to provide electric vehicle charging on their sites
- Encourage businesses, organisations and partners to provide electric vehicle charge points

**Objective 6: To raise awareness of the electric vehicle market so people can understand the options for and benefits of EV ownership**

- Raise awareness of the benefits of electric vehicles and the charging infrastructure available
- Work with our PSB Partners to increase the electric vehicle charging infrastructure and electric vehicle usage.

**Objective 7: To increase deployment of electric vehicles within the Council's own fleet to reduce the Council's own carbon emissions whilst carrying out its business**

- Work with fleet and internal services to trial electric vehicles for different service areas
- Investigate pool vehicles (electric/ hybrid) as a cost saving exercise to reduce mileage payments and to reduce our emissions from grey fleet.

**Objective 8: To encourage our employees to switch to low carbon vehicle (full battery or hybrid)**

- Provide electric vehicle charging for staff to pay to use during the working day
- Raise awareness of the benefits of electric vehicles and the charging infrastructure available

**Objective 9: To address air quality issues that have, or will arise, due to transport related issues**

- Include areas with air quality issues in the feasibility study to identify the suitability for electric vehicle charge point infrastructure

**Objective 10: To inform and complement the County Council's wider policies on transport contained in the Local Transport Plan**

- Link to the City Deal Metro work and Local Transport Plan

**Objective 11: To take a coordinated approach across the council for the electric vehicle agenda**

- Identify a defined set of criteria for EV charging for the EV charge point infrastructure, taking into consideration parking charges at public car parks, charging times and tariffs etc. and enforcement.
- Introduce EV's as fleet vehicles and encourage staff to use them
- Provide EV charge points for staff to pay to use during the working day
- Establish an Electric Vehicle Task & Finish Group to undertake the actions detailed in the EV Strategy action plan.

**Summary of Actions:**

1. Undertake a feasibility study using a suitably qualified consultant to identify suitable locations and charging infrastructure across the county borough. The proposed study would also look at the level of investment needed, and the funding options available that could support the project, along with the possible revenue to the council from the charging infrastructure.
2. Provide a network of charge points for residents, businesses and visitors of the county borough.
3. Identify and explore opportunities within the county borough for other new technologies, working in partnership to pilot projects
4. Identify and explore opportunities for e-bike charging facilities at tourism sites, to support active travel and electric vehicles
5. Work with Welsh Government and other partners to secure WG funding to install and expand EV charge point infrastructure across the county borough
6. Explore opportunities to bid for OLEV Off Street Residential Charge Point funding and Workplace charging funding to support the implementation of the EV charge point infrastructure across the county borough
7. Raise awareness of EV provisions with developers early in the planning application process (or include it as a requirement for all new developments?)

8. Council will consider opportunities where appropriate to install EV charge points at Council refurbishments and new development projects9. Work with planning to encourage private developers and land owners to provide electric vehicle charging on their sites

10. Encourage businesses, organisations and partners to provide electric vehicle charge points

11. Raise awareness of the benefits of electric vehicles and the charging infrastructure available

12. Work with our PSB Partners to increase the electric vehicle charging infrastructure and electric vehicle usage.

13. Work with fleet and internal services to trial electric vehicles for different service areas

14. Investigate pool vehicles (electric/ hybrid) as a cost saving exercise to reduce mileage payments and to reduce our emissions from grey fleet.

15. Provide electric vehicle charging for staff to pay to use during the working day

16.Link to the City Deal Metro work and Local Transport Plan

17. Identify a defined set of criteria for EV charging for the EV charge point infrastructure, taking into consideration parking charges at public car parks, charging times and tariffs etc. and enforcement.

18. Identify and explore opportunities to link PV's and Green Electricity Generation to the EV Infrastructure

19. Establish an Electric Vehicle Task & Finish Group to undertake the work required to submit the funding applications and to undertake the actions detailed in the EV Strategy action plan.

Gadewir y dudalen hon yn wag yn fwriadol



## CABINET – 19TH SEPTEMBER 2018

**SUBJECT: VAT EXEMPTION ON THE SUPPLY OF SPORTING SERVICES**

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

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### 1. PURPOSE OF REPORT

1.1 To seek Cabinet approval to apply a VAT exemption on the supply of sporting services.

### 2. SUMMARY

2.1 The supply of sporting services by non-profit-making bodies has always been exempt from VAT but Local Authorities in the UK have been restricted from this exemption.

2.2 This arrangement has been legally challenged and the Court of Justice of the European Union found, in the case of the London Borough of Ealing (Case C 633/15), that Her Majesty's Revenue & Customs (HMRC) had incorrectly restricted Local Authorities from the exemption and determined that it had to be applied to both public bodies and other non-profit-making bodies, otherwise there would be a distortion of competition.

2.3 This report seeks Cabinet's endorsement to implement the exemption on the supply of sporting services from the 1<sup>st</sup> October 2018.

### 3. LINKS TO STRATEGY

3.1 The revenue raised through charging for services is a key element in setting a balanced budget which in turn supports the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015: -

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

### 4. THE REPORT

#### 4.1 Background

4.1.1 The supply of sporting services by non-profit-making bodies has always been exempt from VAT. Local Authorities in the UK, however, have been restricted from this exemption and

accordingly sporting services provided by them have been subject to the standard rate of VAT (other than specific supplies, which fall under other exemptions, e.g. block bookings, taught swimming lessons).

- 4.1.2 This arrangement has been legally challenged and the Court of Justice of the European Union found, in the case of the London Borough of Ealing (Case C 633/15), that Her Majesty's Revenue & Customs (HMRC) had incorrectly restricted Local Authorities from the exemption and determined that it had to be applied to both public bodies and other non-profit-making bodies, otherwise there would be a distortion of competition.
- 4.1.3 It therefore followed that Local Authorities were entitled to treat those supplies as exempt from VAT provided that they did so on a consistent basis.
- 4.1.4 HMRC has accepted the decision and the effect of the judgment is that Local Authorities can now opt to treat the provision of sporting services as exempt from VAT.

## **4.2 Back-dated Claim**

- 4.2.1 During the course of the London Borough of Ealing's proceedings, Caerphilly CBC submitted an initial protective claim to HMRC in February 2016, for over declared VAT ("stood behind" the London Borough of Ealing case). In line with VAT rules, it is possible to back-date claims for up to 4 years. The Council's claim covered the period back to May 2012.
- 4.2.2 The acceptance by HMRC of the decision of the Court of Justice of the European Union now means that the Council is able to determine for itself whether it wishes to invoke the exemption. If Cabinet decides to do so then it will enable a further (top up) claim to be submitted from the date of implementation. It is proposed that the effective date of implementation be set as the 1<sup>st</sup> October 2018.
- 4.2.3 The estimated total of the back-dated claims for the period 30<sup>th</sup> September 2018 back to May 2012 will amount to a one-off sum of circa £1.3m (final figure to be confirmed). It is proposed that this one-off sum be set-aside in a Capital Earmarked Reserve for Leisure Services.
- 4.2.4 The ongoing full year additional income is estimated to be £264k. However, current income levels are falling short of the budgeted level so the first call on the additional annual income will be to ensure that current income targets are achieved. It is, however, estimated that an annual sum of circa £70k will be available to support the Medium-Term Financial Plan (MTFP) from 2019/20 onwards.
- 4.2.5 A small number of Clubs reclaim VAT paid on charges and will not be able to do so when the exemption is applied. Furthermore, a small number of Clubs currently have a VAT exemption through block bookings and these charges will need to increase to ensure consistency for all customers. It is recommended that delegated authority be given to the Interim Director of Communities, in consultation with the relevant Cabinet Member, to deal with any issues arising with these Clubs.

## **4.3 Partial Exemption**

- 4.3.1 Under Section 33 of the VAT Act 1994, Local Authorities and other bodies occupy a unique position in that they are entitled to reclaim the VAT they incur on expenditure for both Business and Non-Business activities. However, some of the Council's supplies (services) are provided as "Exempt" from VAT.
- 4.3.2 VAT incurred on expenditure which generates exempt income, however, is only recoverable if it is less than 5% of the total VAT on all expenditure incurred. If the VAT incurred exceeds 5% of the total VAT, the Council would be prevented from recovering any VAT from its exempt



activities. The limit of 5% can be averaged over a 7 year period if a Local Authority were to breach the 5% limit in one or more years.

4.3.3 A Partial Exemption calculation is required to be undertaken annually to determine the Council's position. The calculation considers both capital and revenue expenditure.

4.3.4 After the application of the sporting services exemption, and reworked back to 2010/11, the Council remains within the 5% limit.

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

5.1 Effective financial planning is a key element in ensuring that the Well-being Goals within the Well-being of Future Generations Act (Wales) 2015 are met.

## **6. EQUALITIES IMPLICATIONS**

6.1 There are no potential equalities implications of this report and its recommendations on groups or individuals who fall under the categories identified in Section 6 of the Council's Strategic Equality Plan, therefore no Equalities Impact Assessment has been carried out.

## **7. FINANCIAL IMPLICATIONS**

7.1 The financial implications are set out in the report.

## **8. PERSONNEL IMPLICATIONS**

8.1 There are no direct personnel implications arising from this report.

## **9. CONSULTATIONS**

9.1 There are no formal consultation requirements arising from the proposals in this report.

## **10. RECOMMENDATIONS**

10.1 Cabinet is asked to: -

10.1.1 Note the outcome of the Court of Justice of the European Union in the case of the London Borough of Ealing (Case C 633/15).

10.1.2 Agree to implement the VAT exemption on the supply of sporting services from the 1<sup>st</sup> October 2018.

10.1.3 Note the one-off receipt of circa £1.3m from the backdated claims and agree that this be set aside in a Capital Earmarked Reserve for Leisure Services.

10.1.4 Note that any residual additional annual income will be factored into the Council's Medium-Term Financial Plan (MTFP) from 2019/20.

10.1.5 Agree that delegated authority be given to the Interim Director of Communities, in consultation with the relevant Cabinet Member, to deal with any issues arising from Clubs as explained in paragraph 4.2.5 above.

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

- 11.1 To ensure that Cabinet determines to apply the VAT exemption on the supply of sporting services from the 1<sup>st</sup> October 2018.

## **12. STATUTORY POWER**

- 12.1 The Local Government Acts 1998 and 2003.

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