

Pecyn Dogfennau Cyhoeddus



Mae'r adroddiadau canlynol yn Eitemau Gwybodaeth ar gyfer y Pwyllgor Craffu Tai ac Adfywio.

- 1 Monitro Cyllideb Cyfrif Refeniw Tai - Cyfnod 3 2020/21.
- 2 Grantiau Refeniw 2020/2021
- 3 Cyllideb Refeniw 2020/2021 Cyfarwyddiaeth Cymunedau
- 4 Tai'r Sector Preifat - Tîm Cartrefi Gwag Arfaethedig i Gyflwyno Rhaglen Cartrefi Gwag, gan gynnwys Menter Tasglu'r Cymoedd.



HOUSING AND REGENERATION SCRUTINY COMMITTEE – INFORMATION ITEM

**SUBJECT: HOUSING REVENUE ACCOUNT BUDGET MONITORING –
PERIOD 3 2020/21**

**REPORT BY: CORPORATE DIRECTOR FOR SOCIAL SERVICES AND
HOUSING**

1. PURPOSE OF REPORT

- 1.1 To inform Members of projected revenue expenditure for the Housing Revenue Account (HRA) for the 2020/21 financial year. The HRA capital programme which is predominantly funded by the HRA is also included within this report.

2. SUMMARY

- 2.1 Members will be aware of the distinction between the HRA, which is funded by rental income received from council tenants, and General Fund Housing activities, which fall under the General Fund and are funded via the Council taxpayer. Although there is a clear separation of these funds, the majority of council tenants rent is funded from housing benefits which are derived from the taxpayers' purse and therefore value for money must always be sought.
- 2.2 The report outlines the projected outturn for the HRA based upon the expenditure and income for the first three months of the year
- 2.3 The HRA budget for 2020/21 is £51.7m with its main components consisting of £11.7m of salaries (net of WHQS funding), £8.3m of capital financing charges, £8.8m of building maintenance & response repairs, £2.8m of internal service recharges, and £17.8m of revenue contributions to fund the WHQS programme. The spend on the HRA is self-financed mainly by the rental income we collect from our Council Tenants of which about 71% is funded by Housing Benefits. The underspend at period 3 is projected to be £36k and the main reason for this is detailed below.

3. RECOMMENDATIONS

- 3.1 Members are requested to note the contents of the report.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To ensure that Members are informed of the projected financial position of the Housing Revenue Account

5. THE REPORT

5.1 Introduction

5.1.1 The HRA is currently projecting a £36k net under-spend, which represents less than 1% of the total HRA budget. The main variances are summarised below, and full financial details are provided in Appendix 1. This includes variances projected as a result of Covid-19.

5.2 Salaries & Mileage (£291k under spend)

5.2.1 Salaries and associated costs within the HRA are currently expected to underspend by some £291k against a £11m salary. There are some offsetting over and under spends in this area given the volume of staff which includes sickness cover, request for reduced hours and timing for filling vacant posts. During the coronavirus pandemic, all staff received and continue to receive full salaries with no furloughing assistance. However, some staff were redeployed to offer assistance in critical areas such as Free School Meal deliveries, loading of Free School Meals, assisting vulnerable people including the buddy scheme, and setting up and operating a financial crisis helpline. The HRA continued to cover the costs for the redeployment.

5.3 Non-Pay related (£195k under spend)

5.3.1 The main area of underspend is associated with office related costs of £46k such as stationery, photocopying and postage, mainly as a result of offices not being occupied as a consequence of lockdown. However, due to the need to extend the lease on Cherry Tree House, to enable social distancing to be maintained until the offices in Tir Y Berth and Rhymney depot can be completed, there will be additional costs on the rent, business rates, cleaning and utilities that will offset some of the other office savings.

A further £149k underspend is attributable to budgets that are service specific such as, shop management, allocation recharges, tenant participation and utility charges within our sheltered schemes. Some costs however have increased due to the covid-19 restrictions such as security of void properties and particularly rent allowances offered to tenants to allow minor repairs to be carried out as part of their tenancy start up and covering delays in ending tenancies because of lockdown. These allowances have had to be extended as operatives are currently unable to enter tenants' homes unless it is essential works. This cost (£36k) was initially claimed on the Welsh Government Covid-19 LA Financial Hardship Fund, but Welsh Government have recently confirmed that the HRA will not receive any assistance due to additional costs as a result of Covid-19.

5.4 Building Maintenance & Response Repairs (£1.22m under spend)

5.4.1 This area is currently projecting an underspend of some £1.3m. This is made up of £468k under spend in cyclical and revenue projects which includes damp proofing, non – DLO works, sheltered & infrastructure projects, and gas & electrical servicing, together with a £798k projected under spend in Response Repairs which includes transport costs and sub-contractors.

5.4.2 However, at the time of writing this report, operatives are unable to enter tenants homes unless it is for essential repairs, therefore it is expected that the spend will gather pace when restrictions are eased, and tenants are comfortable with repairs taking place in their homes.

- 5.4.3 The contingency budget of £500k is prudently assumed to be fully committed at this stage but may release further savings if not fully utilised by year end.
- 5.4.4 As a result of incorporating the costs of delivering the Building Maintenance service within the HRA, the in-house holding account was set up to monitor the in-house workforce costs that are recharged to the WHQS capital programme and also the PAMS (Post Asset Management Strategy) programme, which was due to run concurrently this year when the WHQS programme ended in June 2020. A budget of £10.8m has been allocated in 2020/21 along with an income recharge to the capital programme so that the HRA has a nil cost. This budget is currently projecting a saving of £1.5m but, is as a consequence of not being able to progress with the WHQS programme during lockdown. Some work was however transferred to void properties and empty buy-back stock which was originally intended to complete Post WHQS, but some staff were redeployed to critical services which is still ongoing. As restrictions are lifted and tenants allow our operatives to re-enter their homes following the development of detailed risk assessments, spend should start to increase, although due to the Government guidance on working under Covid-19 conditions, this will take longer to complete, as we are expected to retain 2 metres under social distancing rules, and limit the number of operatives within the property. This will also have a detrimental effect on the commencement of the PAMS programme which will need to be reprofiled to fit in with the revised completion of WHQS. Welsh Government have recently confirmed that the extended deadline for Caerphilly Homes is now December 2021. Members are informed, however, that Caerphilly Homes was on target to meet our June 2020 deadline had the pandemic not occurred.
- 5.4.5 A further budget is set in the HRA for the Management and Delivery of the WHQS Programme. Current projections are showing an underspend of some £46k due to staff turnover but as per the in-house holding account, this is also recharged fully to the WHQS Programme and is therefore a nil cost to the HRA. However, as the WHQS programme is likely to be extended, the current budget requirement will need to be reviewed to ensure resource is also extended to support delivery of the programme.

5.5 **Capital Financing Requirement (CFR)**

- 5.5.1 The total debt for the HRA as at 1st April 2020 is £121.9m. There is a CFR budget of £8.3m which includes a Minimum Revenue Provision (MRP) of £2.7m to repay the HRA debt and £5.6m of interest charges. The HRA debt consists of historical debt and the debt which was taken up in 2015 as part of the Buy Out of the Housing Revenue Account Subsidy (HRAS) system. More recently the CFR debt has increased due to the borrowing needed to part fund the WHQS Programme (£23m in 2018/19 & £17.9m in 2019/20).
- 5.5.2 Further borrowing had been estimated in 2020/21 to complete the programme and to progress with the PAMS programme together with an element for New Build proposals. However, this will be to be re-calculated once the impact of Covid-19 can be established. The final borrowing element to complete the WHQS programme is now likely to be higher (early indications suggest a £7m increase to complete the programme) which will impact on the funding for the PAMS programme and New Build Initiatives. The CFR cost is therefore likely to increase to reflect this but is not known at this stage.

5.6 Income (£1.1m under recovered)

5.6.1 The increase on voids is expected to rise significantly this year as a result of the pandemic. Lettings were obviously on hold and tenants who had signed their tenancies were unable to move in during the lockdown. Early indications suggest a £300k increase on voids. In addition to this, a discount on sheltered tenants service charge is being considered, although the service remained throughout lockdown, it was delivered differently, and some services were reduced (e.g. Grounds Maintenance). However, communal areas were closed down as per Government guidelines.

5.7 Bad Debt Provision (£620k overspend)

5.7.1 Within the first 3 months of lockdown, rent arrears increased by £1m compared to the same period the year before. We believe there is a number of factors for this rise. Firstly, the Government placed an embargo on actioning evictions until the 23rd August 2020 which meant we could not pursue those who were already in the system prior to lockdown, and no payments have been made during this time which has worsened the position. Secondly, our tenants did not have access to all the normal facilities for payment, in particular our cash offices, meaning some tenants did not have immediate alternatives to make payments. Also, some of our tenants were shielding or self-isolating so could not physically make payments or have access to a rent collector service as that was also withdrawn during lockdown. Initially there was also an increase in Universal Credit claims suggesting financial hardship for some of our tenants.

5.7.2 Every effort was made to support all our tenants during this period. Reassurance calls were attempted to every tenant ensuring they had the required level of support or signposting them where appropriate. No debt recovery took place due to the embargo, but soft letters were sent out to those in arrears that could not be contacted, asking them to contact the rent department so that support could be offered. Alternative methods of payments were offered such as Post Office payments which has assisted those who normally pay at the cash office.

5.7.3 However, the likelihood is that not all of the arrears will be recoverable and this will increase the bad debt provision by an estimated £620k.

5.8 Revenue Contributions to Capital Outlay (RCCO) (£46k under spend)

5.8.1 The HRA allows for some £17.7m of revenue contributions towards the WHQS Programme and this includes an element for the WHQS management team responsible for the delivery of the WHQS Programme which is anticipating a £46k underspend as explained in 5.4.5 above.

5.8.2 The total expenditure on the WHQS capital programme as at period 3 is some £1.3m which is a significant decrease compared to the same period last year of £7m. This is as a consequence of not being able to progress with any works during the Covid-19 pandemic (with the exception of essential work), but the programme still has to be delivered. Any savings, therefore made this year, will be required to fund the programme if it is extended beyond the financial year as expected.

5.8.3 The HRA RCCO allocation will fund the spend this year in addition to the £7.3m Major Repairs Allowance (MRA) from Welsh Government, with any remaining balance being funded from HRA working balances and borrowing. The MRA allowance will need to be utilised first as this funding does not carry over into financial years.

- 5.8.4 Borrowing of £23m was taken up for the first time since the start of the WHQS Programme to fund expenditure in 2018/19. A further £34m borrowing was initially projected for 2019/20 based on a £56m spend in that financial year. However, due to recent concerns regarding the performance and quality of work by some of the DPS (Dynamic Purchasing System) contractors within the final stages of the programme, it was agreed to allocate the remaining contracts to the In-House workforce. This resulted in a revised target completion date from March 2020 to June 2020 to allow the In-House workforce time to absorb the additional properties (approx. 150). This target would have been met had the global pandemic not occurred.
- 5.8.5 Further re-profiling is now necessary, and officers are working on this whilst awaiting confirmation from the Welsh Government on a revised WHQS completion date.
- 5.8.6 WHQS Internal works as at Quarter 1 is 97.06% compliant – monitored weekly
- 5.8.7 WHQS External works at Quarter 1 is 95.55% compliant – monitored monthly
- 5.8.8 Full WHQS compliance (where properties have achieved both internal and external compliance on a contract basis) is 94.19%
- 5.8.9 External work re-started in Mid-May and 2 contractors worked through lockdown. Although the majority of this work is outside of the tenant's property, appropriate detailed risk assessments were issued by the Contractors to ensure compliance to the government guidelines of working during the pandemic was adhered to. All contracts remaining in the programme are now in progress and early indications suggest a 10% increase of costs to allow for supply issues and some restrictions when entering tenants' homes (eg installing doors). It is anticipated that all external works (excluding leaseholders) will be completed by December 2020 pending no further delays from adverse weather conditions, or potential 2nd/3rd waves and/or local lockdowns.
- 5.8.10 Internal works have in the main been on hold since lockdown, with the exception of essential works, particularly to a number of properties that would have been left without basic amenities during lockdown. As mentioned earlier in the report, work was transferred to empty properties and recent buy-backs to try and continue momentum within the workforce. Pace is expected to increase when we commence work which is anticipated to be Mid-August. However, some tenants will undoubtedly refuse works if they are shielding or have any medical issues or just fear about having the work completed etc, so we will record these as acceptable fails in the meantime. A reasonable assumption at this stage would be completion around January/February 2021 to allow for the impact of restarting contracts, risk assessments, social distancing etc, pending no further delays from potential future waves or lockdowns.
- 5.8.11 A Post Asset Management Strategy (PAMS) working group has been set up to ensure that the WHQS standard is continuously maintained once full compliance is achieved. A 5 year external programme is currently being worked on but this will now need to be re-profiled to ensure the WHQS programme is completed. On a positive note, some of the work that was earmarked for the PAMS programme may be completed as part of the WHQS programme such as the buy-backs that were too late to be entered into the WHQS programme for June 2020 completion.
- 5.8.12 A viable Housing Business Plan was submitted to Welsh Government as part of the annual MRA application in March 2020. This was just before the lockdown and the subsequent issues surrounding the Covid-19, which is still ongoing. The Business

Plan, therefore, is not relevant as it stands and will need re-profiling once the impact can be appropriately measured. If the cost of completing the WHQS programme increases then this is likely to impact on other plans such as the PAMS programme and new build proposals.

5.9 HRA Working Balances

5.9.1 Working balances at the start of 2020/21 financial year were £4.1m. This is expected to be fully utilised this year against the WHQS Programme

5.9.2 Whilst priority will be given to the delivery and achievement of the WHQS Programme, borrowing may be required to increase the supply of council housing to meet the Welsh Governments proposal that 20,000 new homes be delivered in Wales by 2021 (Caerphilly Homes Building Together report presented to Housing & Regeneration Scrutiny Committee on 26th November 2019).

5.10 COVID-19

5.10.1 The full impact from Covid-19 is yet to be established. Costs that have been confirmed as at period 3 are as follows

PPE equip	£33k
Buddy mileage/add'n postage/IT equip	£5k
Increase in void costs	£104k
Extension of rent allowance	£37k
Increase in arrears	£118k
TOTAL	£297k

5.10.2 There are other costs as yet to be established, such as extension of fixed term contracts that were due to end during lockdown, extra deep cleaning of properties during handover and tipping/clearance charges, overtime for the backlog of repairs, costs to ensure social distancing measures, and increase in costs when the WHQS programme re-commences to ensure safety of our tenants and staff, including the impact on the delay in delivering the programme.

5.10.3 To date Welsh Government has funded 35k of the above costs which relate to PPE and 50% of the IT cost. Whilst writing this report however, WG have confirmed they will disallow any HRA claims on the basis that not all local authorities have retained their housing stock and the sector would therefore not be treated equally because transferred RSL's and traditional RSL's are not offered the same assistance.

5.10.4 This will significantly impact on the HRA Business Plan. Arrears have increased by some £1m in the first 3 months of the financial year, and although some of this may be recovered, there is the additional cost of recovering it, the increase in bad debt provision and possible write-offs for those we are unable to recover. At the time of writing this report, we are yet to restart our normal debt recovery procedure which means arrears are increasing weekly. Other costs mentioned above, although not as significant as the arrears position, will also have to be funded. It is anticipated that further costs as a consequence of covid, on top of the costs already confirmed, will be in the region of £250k by September, a total of some £550k which will not receive any government assistance.

6. ASSUMPTIONS

- 6.1 The projected outturn position is based on actual income and expenditure details to the end of June 2020, together with data used to forecast future income and expenditure, following discussions with Managers. However, spend and income activity has been unprecedented during this time which makes it difficult to accurately forecast the year end position.

7. LINKS TO STRATEGY

- 7.1 The contents of this report are in accordance with the Budget Strategy agreed by Council at its meeting on 20th February 2020.
- 7.2 Effective financial planning and financial control contribute to the following Well-being Goals within the Well-being of Future Generations (Wales) Act 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.

8. WELL-BEING OF FUTURE GENERATIONS

- 8.1 Effective financial management including the effective utilisation of external grant funding is a key element in ensuring that the Well-being Goals within the Well-Being of Future Generations (Wales) Act 2015 are met.

9. EQUALITIES IMPLICATIONS

- 9.1 This report is for information purposes, so the Council's Equalities Impact Assessment (EqIA) process does not need to be applied.

10. FINANCIAL IMPLICATIONS

- 10.1 As detailed throughout the report.

11. PERSONNEL IMPLICATIONS

- 11.1 There are no direct personnel implications arising from this report.

12. CONSULTATIONS

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

13. STATUTORY POWER.

13.1 Local Government Acts 1972 and 2003 and the Council's Financial Regulations.

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Consultees: Cllr A Whitcombe, Chair Housing & Regeneration Scrutiny Committee
Cllr C Forehead, Vice Chair Housing & Regeneration Scrutiny Committee
Cllr L Phipps, Cabinet Member for Housing & Property
D Street, Corporate Director Social Services & Housing
S Couzens, Chief Housing Officer
S Harris, Head of Corporate Finance & S151 Officer
F. Wilkins, Housing Services Manager
P. Smythe, Housing Technical Manager

Appendices:
Appendix 1 HRA Financial Plan 2020/21 (Period 3).

Appendix 1

HOUSING	<i>Page</i>	Estimate	Projected	Variance
	<i>No</i>	2020/2021	2020/2021	2020/2021
<u>HOUSING REVENUE ACCOUNT</u>		£	£	£
<u>SUMMARY</u>				
GENERAL MANAGEMENT		1,759,257	2,372,777	(613,520)
CAPITAL FINANCING		8,348,031	8,348,031	-
CENTRAL RECHARGES		2,793,870	2,768,131	25,739
STRATEGY AND PERFORMANCE		1,053,637	944,242	109,395
PUBLIC SECTOR HOUSING		5,750,762	5,485,638	265,124
SUPPORTED HOUSING		-	-	-
BUILDING MAINTENANCE SERVICES		31,978,154	30,587,211	1,390,943
GROSS EXPENDITURE		51,683,711	50,506,031	1,177,680
INCOME		(51,683,711)	(50,542,659)	(1,141,052)
(SURPLUS)/DEFICIT CONTRIBUTION (TO)/FROM WORKING BALANCES		-	(36,628)	36,628
<u>HOUSING REVENUE ACCOUNT</u>		£	£	£
-				
<u>GENERAL MANAGEMENT</u>		1,759,257	2,372,777	(613,520)
<u>CAPITAL FINANCING COSTS</u>				
Interest Charge		5,556,468	5,556,468	-
Principal		2,740,513	2,740,513	-
Debt Management		51,050	51,050	-
Resheduling Discount		-	-	-
EXPENDITURE TO HRA SUMMARY		8,348,031	8,348,031	-
<u>CENTRAL RECHARGES</u>				
Central Recharges		2,301,671	2,280,984	20,687
Grounds Maintenance recharge to HRA		492,199	487,147	5,052

EXPENDITURE TO HRA SUMMARY		2,793,870	2,768,131	25,739
<u>HOUSING REVENUE ACCOUNT</u>		£	£	£
-				
HOUSING STRATEGY & DEVELOPMENT		537,382	487,216	50,166
TRANSFORMING LIVES & COMMUNITIES		516,255	457,027	59,228
EXPENDITURE TO HRA SUMMARY		1,053,637	944,242	109,395
<u>HOUSING REVENUE ACCOUNT</u>		£	£	£
<u>PUBLIC SECTOR HOUSING</u>				
Landlord General		308,641	269,170	39,471
Sheltered Accommodation		1,432,175	1,332,037	100,138
Holly Road Community Support		4,129	3,979	150
Eastern Valley AHO		669,116	675,373	(6,257)
Upper Rhymney AHO		844,428	802,228	42,200
Lower Rhymney Valley AHO		37,450	37,476	(26)
Lansbury Park NHO		322,430	322,016	414
Graig Y Rhacca NHO		291,857	280,284	11,573
Housing Allocations Cont.		128,857	114,146	14,711
Tenants & Communities Involvement		473,558	457,210	16,348
Leaseholders Management		73,333	61,952	11,381
Tenancy Enforcement		295,830	295,014	816
Rent s		912,690	878,485	34,205
Community Wardens		(43,732)	(43,732)	-
EXPENDITURE TO HRA SUMMARY		5,750,762	5,485,638	265,124

	£	£	£
<u>HOUSING REVENUE ACCOUNT</u>			
<u>RESPONSE REPAIRS & MAINTENANCE</u>			
Employee Expenses net of recharges	1,260,628	1,189,052	71,576
Repairs & Maintenance on Housing Stock			
Responsive Repairs	9,438,067	8,618,830	819,237
Revenue Contribution to Capital - WHQS Programme	17,809,772	17,763,152	46,620
Group/Planned Repairs (priorities 5 & 8)	-	-	-
Void Repairs (priority 6)	-	-	-
Depot Recharges	100,000	100,000	-
Revenue Projects	1,444,000	1,215,412	228,588
Planned Cyclical	1,747,336	1,508,170	239,166
Planned Programme	-	-	-
	30,539,175	29,205,563	1,333,612
Transport Related	52,500	49,810	2,690
Supplies & Services	125,851	142,786	(16,935)
EXPENDITURE TO HRA SUMMARY	31,978,154	30,587,211	1,390,943
<u>HOUSING REVENUE ACCOUNT</u>			
<u>INCOME</u>			
<u>Rents - Dwelling</u>			
Gross Rent - Dwellings	(45,953,276)	(45,515,625)	(437,651)
Gross rent - Sheltered	(4,158,368)	(3,965,328)	(193,040)
Gross Rent - Hostel	-	-	-
Voids - General Needs Dwelling/Sheltered	800,000	1,100,000	(300,000)
Add'l Income O/Side Rent Debit (WHQS)	-	-	-
Voids - Hostel	-	-	-
Net Rent	(49,311,644)	(48,380,953)	(930,691)
<u>Rents - Other</u>			
Garages	(346,497)	(346,069)	(428)
Garage Voids	121,215	121,278	(63)
Shop Rental	(59,872)	(59,872)	-
	(285,154)	(284,663)	(491)

<u>Service Charges</u>			
-			
Sheltered - Service Charges	(1,394,522)	(1,232,292)	(162,230)
Sheltered - Heating & Lighting	(113,786)	(104,754)	(9,032)
Sheltered & Dispersed- Alarms	-	-	-
Catering Recharge - Sheltered Accommodation	-	-	-
Voids Schedule Water	64,372	102,233	(37,861)
Non Scheduled Water Rates	(38,448)	(33,641)	(4,807)
Welsh Water Commission	(579,379)	(579,379)	-
Leaseholder - Service Charges	(10,000)	(14,060)	4,060
	(2,071,763)	(1,861,893)	(209,870)
<u>Government Subsidies</u>			
Housing Subsidy	-	-	-
	-	-	-
<u>Interest Receivable</u>			
Mortgage Interest	(150)	(150)	-
Investment Income	(10,000)	(10,000)	-
	(10,150)	(10,150)	-
<u>Miscellaneous</u>			
Miscellaneous	-	-	-
Private Alarms	-	-	-
Ground Rent	(5,000)	(5,000)	-
	(5,000)	(5,000)	-
<u>INCOME TO HRA SUMMARY</u>			
	(51,683,711)	(50,542,659)	(1,141,052)



HOUSING AND REGENERATION SCRUTINY COMMITTEE – FOR INFORMATION

SUBJECT: REVENUE GRANTS 2020/2021

REPORT BY: INTERIM CORPORATE DIRECTOR - COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To provide information to Members relating to revenue grants for 2020/21 for Communities Directorate service areas.

2. SUMMARY

- 2.1 The report provides details of the 2020/21 revenue grant funding for Communities Directorate. The report excludes grant funded schemes where CCBC merely act as banker for Partnership schemes. During the financial year further grants are often made available subject to new funding being identified and successful outcomes to bids.
- 2.2 The report is provided to ensure that Members are aware of grants and their intended purpose. Further details of individual grants can be made available to Members if requested.

3. RECOMMENDATIONS

- 3.1 Housing and Regeneration Scrutiny Committee Members are requested to note the contents of this report and the summary grant pages that follow in respect of Regeneration & Planning Division, which all fall within the remit of this Scrutiny.

4. REASONS FOR RECOMMENDATIONS

- 4.1 To inform Members of the 2020/2021 revenue grant funding position for Communities Directorate services.

5. THE REPORT

- 5.1 The attached Appendix provides summary details of revenue grants currently available to the Directorate in 2020-21. It includes a list of the grants, the grant funding bodies, the value of the grant, brief description of the purpose of the funding, together with details of the responsible officer. As highlighted in the appendix, there is a diverse range of grants available to the Authority.
- 5.2 Grants will have an agreed set of terms and conditions, covering the type of initiatives and expenditure that will be funded, the methods for submitting grant claims and documentary evidence required in support of the claims. The grant funding body will request information to satisfy itself that the grant monies have been spent in accordance with its terms and conditions. Expenditure in respect of grants is usually subject to an external audit.

5.3 External audit would assess expenditure against the terms and conditions of the grant and this assessment would normally comprise a random sample of spend, followed by an in-depth scrutiny of the sampled items. This could involve ensuring proper procurement processes have been adhered to, and/or assets purchased have been located, along with the confirmation that spend complies with the conditions of the grant. The External Auditors produce a report annually summarising any issues that have come to light during their audit of the Authority's grants.

6. CONCLUSION

6.1 External grant funding is very important in helping the Authority deliver some key services and appendix 1 summarises the revenue grants for 2020/2021 and the service area's they support. It is important that services receiving grant adhere to any specific terms and conditions linked to the grant and ensure financial processes and procedures are in place in relation to expenditure incurred and grant claims produced.

7. ASSUMPTIONS

7.1 Details of grant funding included in this report is based on formal notifications of specific grant awards for 2020/2021 or based on the latest estimate of grant likely to be received.

8. LINKS TO RELEVANT COUNCIL POLICIES

8.1 The Council has a number of corporate strategies and this report deals with the use of resources in the achievement of those strategies.

8.2 Effective financial planning and financial control contribute to the following Well-being Goals within the Well-being of Future Generations (Wales) Act 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

9. WELL-BEING OF FUTURE GENERATIONS

9.1 Effective financial management including the effective utilisation of external grant funding is a key element in ensuring that the Well-being Goals within the Well-Being and Future Generations (Wales) Act 2015 are met.

10. EQUALITIES IMPLICATIONS

10.1 There are no equalities issues.

11. FINANCIAL IMPLICATIONS

11.1 Grant funding for service initiatives and schemes can change from year to year and uncertainty of funding or reductions in funding needs to be considered and managed,

including implications for future service provision, employment implications, redundancy costs and alternative funding streams.

- 11.2 Expenditure must comply with the grant terms and conditions, and/or bids. Failure to comply may result in a qualification of the grant by the External Auditors, which could result in the clawback of the grant funding.

12. PERSONNEL IMPLICATIONS

- 12.1 Grant funded services provide employment opportunities within the Authority and loss of or reduced grant provision can sometimes impact on employment and possible redundancy.

13. CONSULTATIONS

- 13.1 There are no consultation responses, which have not been included in this report.

14. STATUTORY POWER

- 14.1 Local Government Act 1972 and 2003 and the Council's Financial Regulations.

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Consultees: Councillor John Ridgewell, Chair Housing & Regeneration Scrutiny Committee
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Rhian Kyte, Head of Regeneration and Planning
Marcus Lloyd, Head of Infrastructure
Steve Harris, Head of Business Improvement Services & Section 151 Officer
Jane Southcombe, Education Financial Services Manager
Dave Roberts, Principal Group Accountant
Paul Adams, Senior Assistant Accountant
Mike Jones, Interim Financial Services Manager Social Services

Background Papers:
Grant Allocation Reports 2020/21

Appendices:
Appendix 1- Schedule of Communities Directorate Grants 2020-21

Appendix 1 - Schedule of Communities Directorate Revenue Grant Funding for 2020-21

Grant	Funding Body	Grant Funding 2020/2021	Grant Funding 2019/2020	Matched Funding	Division	Lead Officer	Purpose of Grant	Subject to Audit
Rural Development Plan (RDP) 2014-2020	EU funding via Welsh Government (WG)	£386,083	£379,045	Yes	Planning - Countryside	RDP Delivery Manager	Regeneration Initiatives in rural areas through community engagement and development.	Yes
Aberbargoed Grasslands SSSI	National Resources Wales (NRW)	£20,000	£20,000	No	Planning - Countryside	Countryside Manager	To part fund the Aberbargoed Grasslands SSSI	No
Agriculture & Farming - Ynys Hywel Farm	Welsh Government (WG)	£8,000	£8,000	No	Planning - Countryside	Countryside Manager	To part fund / subsidise farming activities at Ynys Hywel Farm	No
Environment and Sustainable Development (ESD)	Welsh Government (WG)	£0	£85,471	No	Planning - Countryside	Countryside Manager	This grant is no longer available, environmental and sustainability initiatives funding by other means	N/A
Local Sport Plan	Sports Council for Wales (SCW)	£566,275	£672,925	No	Community & Leisure - Sports Development	Sports & Leisure Development Manager	Support the development of physical activities in CCBC	No
National Exercise Referral Scheme	Public Health Wales	£138,600	£138,600	No	Community & Leisure - Sports Development	Sports & Leisure Development Manager	Provide exercise schemes to support over 16's at risk of chronic disease	No
Disability Sports grant	Federation of Disability Sports Wales (FDSW)	£21,598	£21,708	No	Community & Leisure - Sports Development	Sports & Leisure Development Manager	Provision of sport activities for people with disabilities	No
Sustainable Waste Management Grant	Welsh Government (WG)	£888,479	£942,804	No	Community & Leisure - Waste Management & Cleaning	Waste Strategy & Operations Manager	Waste Resource Management including resource efficiency through waste prevention, recycling and landfill diversion.	Yes
Environment and Sustainable Development (ESD)	Welsh Government (WG)	£0	£30,347	No	Community & Leisure - Waste Management & Cleaning	Special Projects Officer	No grant in 2020/2021 but replaced by Caru Cymru Keep Wales Tidy funding.	Yes
Caru Cymru Partnership	Welsh Government (WG)	£30,000	£30,000	No	Community & Leisure - Waste Management & Cleaning	Special Projects Officer	Caring for the Environment and Keeps Wales Tidy initiatives. Funding via Caru Cymru	Yes
Flood & Coastal Erosion Risk Management Grant	Welsh Government (WG)	£105,000	£70,000	No	Infrastructure	Senior Engineer Corporate Land Drainage	Flood alleviation initiatives	No
Road Safety Revenue Grant	Welsh Government (WG)	£45,858	£88,500	No	Infrastructure	Transport Engineering Manager	Provision of 4 Road Safety activities comprising of Kerb craft, National Standards Cycle Training, Pass Plus Cymru & Megadrive. Funding reduced by 50% for 20/21	No
Bus Services Support Grant	Welsh Government (WG)	£426,430	£423,376	No	Infrastructure	Principal Passenger Transport Officer	To support Local and Rural Bus Services with a minimum requirement for Community Transport. This is a WG funded grant but is claimed via Monmouthshire CC who are the lead Authority.	Yes

Concessionary Fares Grant	Welsh Government (WG)	£3,386,000	£3,311,500	No	Infrastructure	Principal Passenger Transport Officer	To pay towards the Concessionary Fares Scheme operated by WG via each Local Authority and its Bus Service Contracts. Figure is indicative only and paid on actual basis plus administration less £934,000 CCBC contribution. Also this mechanism may be changing in the future on how grant is administered, claimed & paid	Yes
Bus Service Operators Grant (Connect 2)	Welsh Government (WG)	£9,000	£9,000	No	Infrastructure	Principal Passenger Transport Officer	To pay towards Bus Service Operators Costs and based on kilometre's travelled. This is a WG funded grant but is claimed via Monmouthshire CC the lead Authority. Figure is indicative only and are normally paid on actual mileage travelled but 20/21 is based on 19/20 figures due to Covid-19	No
Bus Service Operators Grant (Social Services Transport)	Welsh Government (WG)	£45,000	£45,000	No	Infrastructure	Principal Passenger Transport Officer	To pay towards Bus Service Operators Costs and based on kilometre's travelled. This is a WG funded grant but is claimed via Monmouthshire CC the lead Authority. Figure is indicative only and are normally paid on actual mileage travelled but 20/21 is based on 19/20 figures due to Covid-19	No
Arts Council for Wales (ACW) Revenue Grant	Arts Council for Wales (ACW)	£130,798	£129,375	No	Regeneration & Planning	Destination & Events Manager	Development of arts provision in CCBC via the Blackwood Miners Institute (BMI)	Yes
SE Wales Arts & Education Regional Network	Arts Council for Wales (ACW)	£0	£150,000	No	Regeneration & Planning	Destination & Events Manager	Grant ceased in 2020/2021 (Bankers for grant to be spent over whole region, employer of 2 PT staff to deliver)	N/A
Children & Communities Grant	Welsh Government (WG)	£1,403,067	£1,403,068	No	Regeneration & Planning - Community Regeneration	Community Regeneration Manager	New grant from WG which incorporates Legacy and C4W+ together with 5 other grants into one funding allocation.	Yes
C4W (Communities For Work)	EU funding via Welsh Government (WG)	£597,465	£601,975	No	Regeneration & Planning - Community Regeneration	Community Regeneration Manager	As compensation for services in relation to the C4W programme in each Cluster	Yes
SCHOOL MILK	EU funding & Welsh Government (WG) & Health	£292,900	£292,900	NO	Public Protection	Catering Manager	Grant value approximate as based on milk uptake, also varies according to exchange rate	No
Total: -		£8,500,553	£8,853,594					



HOUSING AND REGENERATION SCRUTINY COMMITTEE – INFORMATION ITEM

SUBJECT: REVENUE BUDGET 2020/ 2021 COMMUNITIES DIRECTORATE

REPORT BY: INTERIM CORPORATE DIRECTOR - COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To provide information to Members on the revenue budget for 2020/2021 for the Communities Directorate, including Regeneration & Planning Division, Infrastructure Division, Public Protection Division and Community & Leisure Services Division.

2. SUMMARY

- 2.1 The report summarises the budget for the above services for the financial year 2020/2021.
- 2.2 It attaches, as appendices 1a to 1d, the summary budget for the services outlined in paragraph 1.1 above.

3. RECOMMENDATIONS

- 3.1 Housing and Regeneration Scrutiny Committee Members are requested to note the contents of this report and the budget summary pages that follow in respect of Regeneration & Planning Division which all fall within the remit of this Scrutiny.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To enable the achievement of the Service Divisions' objectives for 2020/2021.

5. THE REPORT

5.1 INTRODUCTION

- 5.1.1 At the meeting of the Council on the 20th February 2020, the budget for 2020/2021 was considered and approved. The report outlined the Welsh Government (WG) revenue support grant (RSG) settlement, the general economic climate, Authority wide inflationary and general cost pressures, identified corporate growth and growth to individual service Directorates and also the required need to apply budget savings in 2020/2021 as part of the Medium Term Financial Plan (MTFP).
- 5.1.2 The budget strategy of the Communities Directorate includes a number of budgetary changes agreed by Council, which are summarised in the table below and incorporated in the budget pages attached in appendix 1a to 1d.

As outlined in table 1 below, the Communities Directorate has MTFP savings of £465k allocated across the four Service Divisions. These savings represent 0.95% of the 2019/2020 net controllable revenue budgets of the services. The savings required and applied to service budgets were significantly lower than the £2.1million of savings originally considered, due to the more favourable financial settlement eventually received from Welsh Government, which lead to a further review of the savings, taking into account feedback from the consultation process. A number of the original savings proposals have been withdrawn and a number have been deferred and will be subject to Service Reviews under the Council's Transformation Programme, details of these savings were reported in the budget report to Council on 20th February 2020 appendix 2.

- 5.1.3 Additional budget of £1.103million has been allocated to the Directorate revenue budgets for inescapable cost pressures in relation to pay inflation (2%), non- pay inflation (1.7%), and living wage.
- 5.1.4 Budget growth of £93k has been provided to Community & Leisure Waste Management services to offset a reduction in SWMG (Sustainable Waste Management Grant) received from WG. Budget growth has also been awarded to Infrastructure Home to School Transport Services of £44k in relation to Trinity Fields school due to increase in student numbers and need. Social Services transport budget has also been increased by £71k to support ongoing vehicle investments.
- 5.1.5 Temporary budget savings applied to the 2019/2020 budget to support the Council's financial position were also reinstated in 2020/2021.
- 5.1.6 Table 1 also summarises other general budget adjustments including transfers in relation to service realignment,

Overall, the Communities Directorate net controllable budget for 2020/2021 has increased by £2.881million compared to 2019/2020 increasing from £48.549million to £51.430million.

Table 1	INFRASTRUCTURE	REGENERATION & PLANNING	COMMUNITY & LEISURE	PUBLIC PROTECTION	DIRECTOR
	£000	£000	£000	£000	£000
Estimate 2019/2020	17,937	2,246	20,953	7,240	173
Pay & Non Pay Inflation	332	68	438	220	3
Living Wage	0	1	26	15	0
Budget Growth					
Trinity Fields Transport	44				
Social Services Transport	71				
Sustainable Waste			93		
Reinstatement of temporary MTFP savings in 19/20	1,533	110	346		
MTFP Budget Savings 20/21	0	(211)	(183)	(71)	
Other Budget Transfers: Approved budget transfers				46	
Budget Increase (Reduction)	1,980	(32)	720	210	3
Estimate 2020/2021	19,917	2,214	21,673	7,450	176

5.2 INFRASTRUCTURE SERVICES

- 5.2.1 Infrastructure Service Division estimates for 2020/2021 include additional budget of £332k for inescapable cost pressures and budget growth for Home to School Transport (£44k) in relation to Trinity Fields school and also Social Care transport (£71k) towards vehicle acquisitions, this element of funding was initially received during 2019/2020 and added to the 2020/21 budgets as permanent funding.
- 5.2.2 The Infrastructure estimate does not include any applied MTFP savings for 2020/2021. As noted in paragraph 5.1.2 above, the original MTFP savings considered were subsequently reviewed and revised by Council and in the case of Infrastructure no MTFP savings were applied in 2020/2021, with a range of savings linked to highway maintenance, traffic management and school crossing patrols being withdrawn. However one saving initiative in relation to the subsidised bus route between Blackwood and Ystrad Mynach was deferred and will be subject to future service review under the Council's Transformation Programme. Also a range of temporary MTFP savings applied in 2019/2020 (£1,533k) were reinstated into the 2020/2021 budget again linked to highway, canal maintenance and winter maintenance.
- 5.2.3 The Infrastructure budget includes £7.2million to fund highway network maintenance including roads & footways surface dressing and patching, gully cleaning, land drainage, street lighting and winter maintenance. This budget is under constant financial pressure due to the demands put on the highway network which will continue during 2020/2021. The decision of Council not to apply any MTFP savings in 2020/2021 to the service area along with the return of £1.533m temporary MTFP's applied in 19/20 should help reduce this cost pressure.
- 5.2.4 Civil parking enforcement is now the responsibility of the Council's Infrastructure Division and a £384k enforcement operating cost budget is included in the estimates including employment of parking enforcement officers. These operating costs will however be funded from anticipated income from fixed penalty notices.
- 5.2.5 Car parking income budget of £733k is also included in the estimates. This includes £702.8k in relation to the Council's pay & display car parks and £30.2k for residential on street parking permits. The level of pay & display income generated can be susceptible to change, so this will be monitored closely against the budget targets set.
- 5.2.6 Public Transport includes WG grant funding for subsidised rural bus services £426.4k and concessionary fares £3.386million.
- 5.2.7 The Infrastructure Division estimates for 2020/2021 also include budgets in relation to home to school transport (£7.281million) and social services transport (£1.553million) which represent 44% of the overall Infrastructure budget. Any year end budget over or under spends in relation to these specific services will be identified separately and transferred back to Education Directorate and Social Services Directorate.

5.3 REGENERATION and PLANNING

- 5.3.1 The Division has received additional budget of £69k for inescapable cost pressures.
- 5.3.2 The estimate for 2020/2021 includes budget reductions for service related MTFP savings of £211k as noted in table 1 above and these savings represent 9.4% of the 2019/2020 revenue base budget. The savings are primarily linked to operational costs and income generation in the tourism venues, budget realignment in business support and urban renewal and a reduction in Community Regeneration projects. Temporary budget reductions in 2019/2020 of £110k were reinstated in relation to the Community Regeneration fund, Business grants and

Community Regeneration projects, albeit the saving of £35k in relation to Community regeneration projects was subsequently included in the 2020/2021 savings.

- 5.3.3 The planning application fee income budget for 2020/2021 is £574k and the building control fee income budget is £273k, income generated from planning applications and building control fees is susceptible to changes in the general economic climate and the building industry in particular and actual income generated will be monitored closely against the budget targets set.
- 5.3.4 The service division also has a large income budget for Industrial and Commercial property rentals of £2.3million which can also be susceptible to variation due to general economic conditions and the level of occupancy of the units rented by the Council.
- 5.3.5 Tourism Venues have been subject to a range of MTFP savings (£100k) in 202/2021 and are presently subject to review as part of the Councils Transformation programme. Combined income budgets of the 5 venues is £1.6million but income generation is susceptible to variation due to range of factors linked to customer demand, weather and market competition, so will be monitored closely.
- 5.3.6 Welsh Government grant funded initiatives “Children & Communities Grant” is partially run by Regeneration officers, the project is to help support vulnerable people and communities. The level of funding allocated to Regeneration for 2020/21 is £1,403k. In future years allocations of funding may well change. Additionally there is an allocation via the European Social Fund for “Communities for Work” of £597k.

5.4 COMMUNITY & LEISURE SERVICES

- 5.4.1 The Division has received additional budget to fund inescapable cost pressures of £464k and also budget growth of £93k to help support waste management recycling initiatives linked to a reduction in the amount of SWMG received from WG.
- 5.4.2 The estimate for 2020/2021 includes budget reductions for service related MTFP savings of £183k as noted in table 1 above, which represents 0.9% of the 2019/2020 revenue budget. Temporary budget reductions in 2019/2020 of £346k have been reinstated including £300k waste management RCCO budget (revenue contribution to capital outlay) used to fund the acquisition of replacement vehicles.
- 5.4.3 A number of originally considered MTFP savings were subsequently deferred in the Council meeting of 20th February and will be subject to Service Reviews under the Council’s Transformation Programme, these include Trehir CA site, cleaning services staff resources, bulky waste collection charges and Community centre caretaker staffing levels.
- 5.4.4 Waste management services have revenue budget of £9.7million to support residual and recycling collection and treatment services and to help develop service initiatives to ensure increased recycling targets are achieved. Also, Welsh Government funding of £850k for SWMG (Sustainable Waste Management Grant) is included in the estimates. The Street Cleansing budget is £4.079million.
- 5.4.5 Parks, Cemeteries and Countryside have combined budgets of £4million with £115k of MTFP savings applied in 2020/2021 linked to operational costs and depot rationalisation,
- 5.4.6 Leisure services have budget of £3.2million including £2.672million direct funding and management and administrative support to leisure centres. The Councils Sport and Active Recreation Strategy 2019-2029 has established a future purpose and direction for the provision for sport and active recreation and a number of initiatives will be implemented and others considered to fulfil this strategy and in doing so also generate future financial savings.

5.5 PUBLIC PROTECTION

- 5.5.1 The Division has received additional budget of £235k for inescapable cost including an additional £15k towards living wage increases in Catering
- 5.5.2 The estimate for 2020/2021 includes budget reductions for service related MTFP savings of £71k as detailed in table 1 above, which represents 1.0% of the 2019/2020 revenue budget, these savings primarily relate to CCTV energy cost, some operational costs and catering school and staff restaurant income. There is also a transfer of £46k into Environmental Health from Corporate Services in relation to environmental health grant funding initiatives linked to positive engagements, domestic abuse, community safety partnerships, safer communities and anti- social behaviour.
- 5.5.3 A number of originally considered MTFP savings were subsequently deferred in the Council meeting of 20th February and will be subject to Service Reviews under the Council's Transformation Programme, these include the structure of Community Safety Wardens and Environmental Health enforcement teams and review of pest control charges.
- 5.5.4 The Licensing fee income budget remains at £320k in 2020/2021 and this will be monitored closely as levels of licensing income is influenced by the general economic climate and the number of businesses trading. The Registration services fees & charges budget has been increased by £5k to £250k as part of the MTFP savings approved for the service area.
- 5.5.5 Public Protection Division delivers a large proportion of statutory services linked to licensing, trading standards, environmental health, food safety and pollution and service expenditure can sometimes be influenced by one off significant issues in relation to pollution, air quality, food contamination and trading standards problems in the wider community which can put significant pressure on financial resources available.
- 5.5.6 Catering services has net budget of £3.7million including school income budgets of £3.5million. Income generation in schools can be subject to variation depending on a range of factors such as school closures for adverse weather and other incidences and trends in school meal take up, so these will be monitored closely during the year.

5.6 CONCLUSION

The Communities Directorate provides a diverse range of services as outlined in the report and appendices and the report notes that the services face significant ongoing financial pressures due to the requirement to achieve budget savings in support of the Councils medium term financial plan.

For the 2020/2021 financial year, the Covid 19 crisis will have an additional significant impact on the financial position of many services in the Communities Directorate and in depth monitoring will be needed to try and ascertain the full impact on Council financial resources and in order to secure additional financial support from Welsh Government.

6. ASSUMPTIONS

- 6.1 Assumptions linked to this report were detailed in the budget report to Council on 20th February 2020.

7. LINKS TO RELEVANT COUNCIL POLICIES

- 7.1 The content of the report is in accordance with the budget strategy considered and approved

by Council at its meeting of 20th February 2020.

7.2 The budget figures outlined in this report assist in meeting the ambition of the Authority to build better communities by building better public services, building better lifestyles, building a vibrant economy and building Futures Changing Lives.

7.3 Budget management itself is in accordance with the corporate theme of Delivering the Strategies.

7.4 Effective financial planning and financial control contribute to the following Well-being Goals within the Well-being of Future Generations (Wales) Act 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

8. WELL-BEING OF FUTURE GENERATIONS

8.1 Effective financial management is a key element in ensuring that the Well-being Goals within the Well-Being and Future Generations (Wales) Act 2015 are met.

9. EQUALITIES IMPLICATIONS

9.1 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. There is no requirement for an Equalities Impact Assessment Questionnaire to be completed for this report.

10. FINANCIAL IMPLICATIONS

10.1 This report deals with the financial issues.

11 PERSONNEL IMPLICATIONS

11.1 Included in the Service Division budget savings summarised in the report are savings in relation to staff restructures and vacancy management, these will be managed in accordance with HR policies.

12. CONSULTATIONS

12.1 There are no consultation responses, which have not been included in this report.

13. STATUTORY POWER

13.1 Local Government Acts 1998 and 2003

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Steve Harris, Head of Business Improvement Services & Section 151 Officer
Jane Southcombe, Education Financial Services Manager
Dave Roberts, Principal Group Accountant
Paul Adams, Senior Assistant Accountant
Mike Jones, Interim Financial Services Manager Social Services

Background Papers:

Divisional budget papers 2020/2021.

Appendices:

Appendix 1A Summary Budget - Infrastructure Services Division
Appendix 1B Summary Budget - Regeneration and Planning
Appendix 1C Summary Budget - Community and Leisure Services
Appendix 1D Summary Budget - Public Protection Division

Links to other Documents:

Minutes Council Meeting 20/02/2020: Budget Proposals 2020/21 and Medium- Term Financial Outlook

Agenda Item No. 8

<https://democracy.caerphilly.gov.uk/ieListDocuments.aspx?CId=127&MId=11923&LLL=0>

<i>COMMUNITIES DIRECTORATE</i>	Page No	Estimate 2019/20	Revised Estimate 2019/20	Budget 2020/21
<i>INFRASTRUCTURE SERVICES DIVISION</i>				
<i>HIGHWAY OPERATIONS</i>		7,496,995	7,496,995	9,157,623
<i>ENGINEERING PROJECTS GROUP</i>		(94,021)	(94,021)	(92,163)
<i>TRANSPORTATION ENGINEERING</i>		455,685	455,685	473,521
<i>PASSENGER TRANSPORT</i>		1,617,349	1,617,349	1,648,785
<i>HOME TO SCHOOL TRANSPORT</i>		7,115,947	7,115,947	7,281,504
<i>SOCIAL SERVICES TRANSPORT</i>		1,455,068	1,525,068	1,552,829
<i>NETWORK CONTRACTING SERVICES</i>		(128,565)	(128,565)	(124,899)
<i>INFRASTRUCTURE - GENERAL</i>		18,700	18,700	19,336
<i>TOTAL NET EXPENDITURE</i>		17,937,158	18,007,158	19,916,536

COMMUNITIES DIRECTORATE	Page No	Estimate 2019/2020	Revised Estimate 2019/2020	Estimate 2020/2021
<u>REGENERATION & PLANNING</u>				
Regeneration & Planning Senior Management Support		208,655	208,655	211,926
Regeneration & Planning Administrative Support		513,247	513,247	533,470
Support Services				
Business Support & Urban Renewal		425,839	425,839	577,380
Events		88,630	100,630	78,253
Property Operations		(1,271,593)	(1,271,593)	(1,325,762)
Town Centre Management		105,241	105,241	199,209
Marketing & promotion		183,523	183,523	0
Tourism Venues				
Tourism Venues Management Support		60,324	60,324	61,529
Llanciachfawr		377,905	377,905	380,853
Winding House & Museum		208,114	208,114	157,930
Caerphilly Visitor Centre		65,539	65,539	62,073
Cwmcaern Visitor Centre		247,164	247,164	243,165
Blackwood Miners Institute		327,815	327,815	302,847
Arts Development		152,792	152,792	157,175
Community Regeneration		136,969	136,969	139,591
Children & Communities Grant				
Expenditure		1,403,068	1,403,068	1,403,068
Grant Funding		(1,403,068)	(1,403,068)	(1,403,068)
C4W Grant				
Expenditure		601,975	601,975	597,465
Grant Funding		(601,975)	(601,975)	(597,465)
Planning Services				
Planning Services Management		76,647	76,647	78,027
Strategic Planning		333,058	333,058	328,030
Development Control		(87,723)	(87,723)	(77,450)
Building Control		(56,204)	(56,204)	(48,994)
Land Charges		(7,114)	(7,114)	(5,749)
GIS & Land Gazetteer		157,546	157,546	160,694
TOTAL NET BUDGET		2,246,374	2,258,374	2,214,197

DIRECTORATE OF COMMUNITIES	Page No	Estimate 2019/2020	Revised Estimate 2018/2019	Estimate 2020/2021
<u>COMMUNITY & LEISURE SERVICES</u>				
WASTE MANAGEMENT				
<i>Residual Waste</i>		2,308,527	2,308,527	2,282,953
<i>Organics recycling</i>		1,416,330	1,416,330	1,350,335
<i>Civic Amenity Sites</i>		3,056,924	3,056,924	3,082,763
<i>Waste Transfer Station</i>		111,580	111,580	107,968
<i>Dry Recycling</i>		2,534,207	2,534,207	2,714,455
<i>RCCO</i>		91,000	91,000	391,000
<i>Bulky Waste</i>		127,833	127,833	128,220
<i>Commercial Waste</i>		(532,533)	(532,533)	(508,650)
<i>Other Waste</i>		22,761	22,761	23,148
<i>Treher</i>		129,253	129,253	131,451
<i>Sustainable Waste Management Grant</i>		(942,804)	(942,804)	(849,804)
<i>HQ Staff</i>		1,204,318	1,204,318	1,232,590
CLEANSING				
<i>Street Cleansing</i>		3,980,053	3,980,053	4,079,727
GROUND MAINTENANCE AND PARKS				
<i>Cemeteries</i>		(193,454)	(193,454)	(201,269)
<i>Allotments</i>		37,172	37,172	37,804
<i>Parks and Playing Fields</i>		1,693,830	1,693,830	1,763,051
<i>Playgrounds</i>		281,512	281,512	276,548
<i>Outdoor facilities</i>		242,600	242,600	237,104
<i>Community Assets Funding</i>		0	0	0
<i>Countryside</i>		915,267	915,267	893,301
<i>HQ Staffing</i>		1,011,762	1,011,762	998,661
LEISURE SERVICES				
<i>Leisure Centres</i>		2,614,006	2,614,006	2,672,870
<i>Sports & Health Development</i>		21,262	21,262	21,480
<i>Outdoor Education</i>		149,939	149,939	153,993
<i>Community Centres</i>		364,722	364,722	359,171
		20,646,067	20,646,067	21,378,870
<i>Building Cleaning</i>		579,609	579,609	570,558
<i>Vehicle Maintenance & Fleet Management</i>		(272,828)	(272,828)	(276,299)
Total net expenditure Community & Leisure Services		20,952,848	20,952,848	21,673,129

Appendix 1D

<i>DIRECTORATE OF COMMUNITIES</i>	Page No	Estimate 2019/2020	Revised Estimate 2019/2020	Estimate 2020/2021
<u>PUBLIC PROTECTION DIVISION</u>				
<i>TRADING STANDARDS</i>		757,674	757,674	772,055
<i>LICENSING</i>		90,579	90,579	91,989
<i>REGISTRARS</i>		66,697	66,697	53,417
<i>CCTV</i>		429,739	429,739	417,023
<i>COMMUNITY WARDENS</i>		235,127	235,127	239,720
<i>CORPORATE AND DEMOCRATIC COSTS (CDC)</i>		56,633	56,633	57,631
<i>HEALTH DIVISIONAL BUDGET</i>		287,422	287,422	293,052
<i>COMMUNITY SAFETY PARTNERSHIP</i>		0	45,653	46,963
<i>ENFORCEMENT</i>		628,848	628,848	642,501
<i>POLLUTION</i>		391,524	391,524	398,936
<i>FOOD TEAM</i>		579,750	579,750	591,349
<i>EMERGENCY PLANNING</i>		103,510	103,510	105,923
<i>CATERING</i>		3,612,851	3,612,851	3,739,710
<i>TOTAL NET EXPENDITURE</i>		7,240,354	7,286,007	7,450,269



HOUSING AND REGENERATION SCRUTINY COMMITTEE – INFORMATION ITEM

**SUBJECT: PRIVATE SECTOR HOUSING - PROPOSED EMPTY HOMES TEAM
TO DELIVER EMPTY HOMES PROGRAMME, INCLUDING VALLEY
TASKFORCE INITIATIVE**

REPORT BY: CORPORATE DIRECTOR – SOCIAL SERVICES AND HOUSING

- 1.1 The report, which was presented to Cabinet on 9th September 2020, sought approval to participate in the proposed empty homes work programme and to establish an empty homes team within Private Sector Housing, with the associated cost being met through Capital Earmarked Reserves.
- 1.2 The report also sought Cabinet approval for the capital funding required to support the delivery of Phase 2 'Empty Property Grants' via the Valley Taskforce (VTF) initiative and the establishment of an Empty Homes Team.
- 1.3 Cabinet were asked to note that with no dedicated staff resource to proactively progress empty home issues CCBC has, to date, only been able to deal with reactive complaints linked to long term vacant properties. Welsh Government are very keen for Local Authorities to actively address the problems associated with empty properties and are currently progressing an enforcement agenda throughout Wales, aimed at returning empty properties, including empty homes, back into beneficial use. The report outlined the private sector empty homes work programme linked to the Welsh Government agenda and the development of an Empty Homes Team to successfully undertake the work as well as contributing to the wider issues associated with empty properties within our communities.
- 1.4 A Cabinet Member, in noting the work currently being undertaken, and the need in the borough to not only bring vacant properties back into use to mitigate anti-social behaviour and community image, but to help meet the housing demand, sought further information on the costs to fund the team and the number of properties sought to bring back into use. The Officer explained that there is currently 1 member of staff allocated for 1 day per week to the programme and as a result, only enforcement actions are considered due to limited time and Funding. Since Welsh Government announced the availability of the Valley Taskforce Funding, enquiries have been received from 138 property owners, keen to take part in the programme and get their properties occupied.
- 1.5 Following consideration and discussion, Cabinet unanimously approved the recommendations in the Officers report.
- 1.6 Housing and Regeneration Scrutiny Committee is therefore asked to note the recommendations.

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

Appendices:
Appendix 1 Report to Cabinet on 9th September 2020



CABINET – 9TH SEPTEMBER 2020

SUBJECT: PRIVATE SECTOR HOUSING - PROPOSED EMPTY HOMES TEAM TO DELIVER EMPTY HOMES PROGRAMME, INCLUDING VALLEY TASKFORCE INITIATIVE

REPORT BY: CORPORATE DIRECTOR - SOCIAL SERVICES AND HOUSING

1. PURPOSE OF REPORT

- 1.1 To seek Cabinet approval to participate in the proposed empty homes work programme and to establish an empty homes team to deliver the required work given Welsh Government's interest in this area.
- 1.2 To recommend to Cabinet the creation of an empty homes team within Private Sector Housing, with the associated cost being met through Capital Earmarked Reserves.
- 1.3 To approve the capital funding required to support the delivery of Phase 2 'Empty Property Grants' via the Valley Taskforce (VTF) initiative and the establishment of an Empty Homes Team.

2. SUMMARY

- 2.1 With no dedicated staff resource to proactively progress empty home issues CCBC has, to date, only been able to deal with reactive complaints linked to long term vacant properties. Welsh Government are very keen for Local Authorities to actively address the problems associated with empty properties and are currently progressing an enforcement agenda throughout Wales, aimed at returning empty properties, including empty homes, back into beneficial use. This report outlines the private sector empty homes work programme linked to the Welsh Government agenda and the development of an Empty Homes Team to successfully undertake the work as well as contributing to the wider issues associated with empty properties within our communities.

3. RECOMMENDATIONS

- 3.1 Cabinet is asked to: -
 - 3.1.1 Note the content of the report.
 - 3.1.2 Approve the creation of an empty homes team and the funding of fixed-term staffing costs of £275k to deliver the work programme associated with Welsh Government's empty property enforcement agenda.

- 3.1.3 Approve the capital allocation of up to £700k to support the delivery of Phase 2 'Empty Property Grants' via the VTF Initiative.
- 3.1.4 Agree that the total funding requirement of up to £975k should be met from Capital Earmarked Reserves.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 The purpose of the report is to provide information on the empty homes / property work programme and obtain approval for the creation and funding of an empty homes team to take the work forward.
- 4.2 To obtain approval for participation in Phase 2 of the VTF initiative along with the required capital allocation to support the delivery of the 'Empty Property Grants' during 2020/21.

5. THE REPORT

Empty Homes

- 5.1 The reasons behind a home being empty for an extended period are usually complex and are therefore not easily remedied. Examples include: properties that are dilapidated, requiring repair and renovation prior to occupation; abandoned properties, those with unresolved ownership issues such as the owner dying intestate; properties retained as an investment or inheritance holdings; mobility holding (where the owner is away from the area) or as a cohabitation holding, (where one of the joint owners doesn't wish to sell or let the property).

Performance Measures

- 5.2 There are currently 2 PAMs used to monitor the performance of an Authority in bringing the empty property back into residential use within the private sector.

PAM/013

'Percentage of empty private sector properties brought back into use during the year through direct action by the LA.'

- 5.3 This only concerns residential properties that have been vacant for 6 months on the 1st of April of the relevant year. The latest information is attached in Appendix 1.
- 5.4 Unfortunately, percentages can be misleading. More properties in actual numbers, can be returned to use by an Authority but the overall percentage reported can be low due to the large size of the denominator. 10 Local Authorities in Wales returned more properties to use last year than Caerphilly CBC, however from a percentage point of view Caerphilly CBC is positioned 14th. It should be noted that those Local Authorities with high performance results have dedicated empty home teams.
- 5.5 At present proactive progress linked to the return to use of empty homes is minimal. Current staff resources necessitate provision of a largely reactive service, mainly linked to complex complaints received from neighbours or Councillors. Only twenty percent of one full time equivalent Environmental Health Officer (scale 10) is currently dedicated to this role. The opportunities to increase capacity within the existing Private Sector

Housing (PSH) service are extremely limited due to competing priorities and statutory obligations.

- 5.6 Reactive intervention in response to complaints tend to focus on problematic empties that are labour intensive to resolve. It should be noted that very often the successful resolution can take extensive work over long periods of time and unfortunately the outcome is not eligible for inclusion in the Public Accountability Measure (PAM) returns if the properties are not returned to beneficial use within the private sector. This would include instances where the best outcome for the property is demolition or purchase by the Council for social housing tenants.
- 5.7 A Report from the Equality, Local Government and Communities Committee on Empty Properties, 2019, (The Report) recommended that Welsh Government (WG) support an amendment to PAM/013 to measure the success of bringing back into use properties that have been empty for 12 months rather than the current 6 months. WG have agreed to take this recommendation forward as it would allow Council's to focus on the more problematic empty homes that will not be returned to use naturally via market churn.
- 5.8 In 2018/19 approximately 830 (53%) of the properties categorised as vacant for more than 6 months in CCBC were returned to use without local authority intervention, illustrating that that these should be considered as 'transitional empty homes' rather than long term vacant homes. In addition to this the Report also recommended that the current method used for the gathering of data for the denominator figure from council tax valuation lists needs to be reconsidered to include both derelict and non-residential properties, which would significantly increase the denominator and take into consideration the work of other teams within the Council who are involved in the regeneration and re-designation of non-residential properties. WG are currently undertaking a pilot study with Powys County Borough Council to progress this issue.

PAM/045

- 5.9 PAM/045 is a new performance indicator introduced in 2019/20. The measure is defined as:

'Number of new homes created as a result of bringing empty properties back into use. That is the number of additional dwellings created when a property is sub divided into additional dwellings in bringing it back into use. This includes both previously residential properties and 'other' empty properties.'

- 5.10 Due to the impact of Covid 19 at the time of writing this report no performance information is available.

Potential Work Programme of Empty Homes Team

- **Development of Empty Homes Strategy**

- 5.11 CCBC's current empty homes strategy was produced in 2006 and is now outdated and a new strategy is urgently required. Initial progress has been made in creating an empty homes database to record all empty properties (1575 properties linked to the current PAM definition) and efforts were made to establish a new base position in 2018/19 to support development of a revised strategy. However, without sufficient staff resources to produce the new strategy this data is rapidly becoming out of date. This data needs to be strategically mapped and reviewed to determine priorities for targeting those properties with the highest risks and consideration needs to be given to determining how

the Council will be best placed to return them back into use. In 2019/20 the new list of empty homes increased to 1624 properties.

- **Data Analysis & Mapping**

5.12 The Council's new strategy would detail actions required moving forward, focusing on prioritising interventions to return problematic empties to beneficial use and those that have been empty for the longest periods of time. In order to ensure resources continue to be focused on the highest priority matters over time, an annual update and review would be undertaken of the empty homes database. Although this work would be labour intensive it is essential to inform strategic actions and assist with the wider issues of empty properties within the Borough and the Regeneration agenda.

- **Website**

5.13 A mini website relating to empty homes and empty properties would be created to sit alongside the strategy to act as a central resource for anyone contacting the Council with related issues. This mini website would bring together all relevant corporate information and opportunities available to return empty residential and non-residential properties to use, but also linking in with external information provided by WG and other organisations where appropriate. Initial conversations have already taken place with Regeneration colleagues but without additional staff resources only very limited progress can be made.

- **Proactive and Reactive Interventions**

5.14 At present there is little capacity to focus on proactive work and generally only problematic empties that require an element of enforcement are addressed. This type of action is resource intensive for the service taking the enforcement action whether it be Private Sector Housing or Planning as well as Legal services. Current statutory enforcement powers include: provisions relating to enforced sale; compulsory purchase order; statutory nuisance; Demolition Orders; prevention of unauthorised access; remediation of overgrown gardens; and Empty Dwelling management Orders, as well as enforcement powers under the Town and Country Planning Act, currently delegated to colleagues in Planning, when properties are considered 'detrimental to the local amenity'. Legal Services are key contributors to the preparation and implementation of any enforcement action and any increase in enforcement action on empty properties by either Private Sector Housing or Planning is likely to necessitate increased resources for Legal Services. It should be noted that at present the Council do not have an Enforced Sales Policy and as such one is currently being developed and will be the subject of a future report. WG have suggested that consideration needs to be given to a request for national / regional bespoke legal service for LA's to tap into to get specialist advice to include the issue of Compulsory Purchase Orders, however it is not known at this stage if these proposals will be taken forward.

- **Contribute to National Agenda**

5.15 The recent report detailed above recommends that WG works with the WLGA to undertake a review of existing statutory enforcement powers available to Local Authorities to tackle empty properties and assess how these could be used more effectively, consolidated, simplified or extended. WG have responded by committing to a

review of the legislative processes. An empty homes team would be a key contributor to this review and to take forward its recommendations, for the long-term benefit of the Council and its residents.

- **Provision of Advice, Assistance, Grants and Loans**

5.16 Fortunately, most empty homes are not in such a condition that intervention by way of enforcement action is necessary. With the development of an empty homes team the Council would be better able to proactively target empty properties and their owners, deal with service requests such as the investigation of complaints, Freedom of Information requests, provision of general advice to property owners and prospective purchasers, administration of grants and loans linked to empty homes, as well as undertaking proactive initiatives such as letter drops to empty home owners to try and engage with them and move forward with returning the properties back into beneficial use, linking in with other in-house schemes such as the Caerphilly Keys initiative, which assists in contributing to meeting housing demand in the borough and addressing homelessness.

5.17 Whilst the Council offers a range of grant and loan products, to date only limited advertising of financial products has been undertaken, due to the inability to resource any large increase in demand. Ideally the empty homes team would be working with third parties, including estate agents and auction houses to try to deal with empty homes through the offer of a range of incentives.

- **Co-ordination of Corporate Activity**

5.18 An Internal Joint Working Group was previously set up to try and bring together all the actions of the Local Authority in returning properties back to use as currently there is a very piecemeal approach. Unfortunately, its success has been limited due to a lack of staff resources to drive this agenda forward. If there was capacity for this group to meet quarterly with dedicated staff, it would proactively progress many of the ongoing corporate issues associated with empty properties to achieve satisfactory solutions. Joint working of all relevant staff across different departments, such as planning, council tax, building control, environmental health and social services would work much more effectively, maximising and co-ordinating the required outcomes.

WG Enforcement Agenda - Empty Property Support Programme

5.19 WG have recognised that empty properties are a significant concern and have committed to progressing a national enforcement agenda with the offer of an empty property support programme. They have written to each Local Authority to obtain buy in at the highest level to prioritise dealing with empty home issues. Consequently, WG have produced their plan of action which comprises 3 main points:

i) Provision of Industry Expert - to provide specific training for each Local Authority

5.20 This training will cover current enforcement powers for all types of empty properties and how to use them effectively. Unfortunately, the expert meeting with CCBC which was due to take place on the 22nd of June has been cancelled due to the current Covid 19 situation.

ii) One to One Workshops - on needs and skills assessment of each Local Authority and the creation of an Action Plan.

- 5.21 It was originally planned for the first draft (pre Covid 19) to be in place by October 2020. Objectives and targets will be set and expected to be implemented / delivered as part of this plan. This work must be done with an emphasis on community-based approaches, ensuring that the action plan reflects the views of communities.

iii) National Action Plan

- 5.22 The 22 individual Local Authority action plans will be collated by WG into a National Action Plan which was due to be finalised by the end of December 2020 (Pre Covid 19)
- 5.23 WG recognises the impact that having specific officers with responsibility for empty properties can make, stating that the specific role or function should be available across each Local Authority within Wales. This will be key in the subsequent delivery of the Action Plan.

WG - Financial Products - Valley Taskforce

- 5.24 To incentivise empty home-owners Valley Taskforce (VTF) introduced an 'Empty Home Grant' in the last quarter of 2019/20 (Phase 1) administered on their behalf by RCTBC. Phase 1 enabled prospective owner occupiers of empty homes to access non means tested grant aid from WG to a maximum of £20,000, paying a 15% contribution. The grant did not specifically target longer term or problematic empties or consider the personal or financial circumstances of the applicant. It was not available to private landlords so did not contribute significantly to homeless prevention. Phase 1 was fully funded by WG and ended on the 31.03.2020. CCBC received approximately 113 applications but were only able to process 13 through to a valid application by the 31.03.2020, amounting to £176,773 of VTF grant aid.
- 5.25 WG has recently prepared a Phase 2 'Empty Home Grant' which will be available during 2020/21 on a first come first served basis to organisations that sign the required agreement. Phase 2 criteria widens eligibility to include funding for Registered Social Landlords and stock retaining Local Authorities, with a grant maximum for all of £25,000. The additional £5,000 of funding is only available for energy related improvements. In relation to applications from prospective owner occupiers, WG (VTF) offer 50% funding, the Council is required to fund 35% and the homeowner 15%. For applications from RSLs or stock retaining local authorities, WG (VTF) offer 65% and the social landlord must contribute 35%.
- 5.26 If the Council commits to Phase 2, there are approximately 100 pending applications carried over from Phase 1 to consider. These Phase 1 applications transferring to Phase 2 require a potential financial commitment of an estimated £700,000 from CCBC based on the average grant cost of £20,000, based on grants delivered by VTF to date, which excludes any energy related works.
- 5.27 WG have committed funding of £4,500,000 for participating authorities (with £450,000 assigned to staff costs) for Phase 2, based on the return to use of 2% of empty homes in 2018/19, which equates to approximately 32 properties within CCBC. Clearly this funding would not be sufficient to deal with the current backlog from Phase 1, but not all Councils are likely to take part and all applications will be dealt with on a 'first come first served' basis, so an early commitment to the initiative is essential to enable us to maximise the opportunity presented. The budget request therefore of £700,000 is based on all pending applications being approved, which is unlikely to be the case, but WG have also agreed to review the available budget allocation.

5.28 The product requires significant technical, administrative and legal support from CCBC, the costs of which cannot be fully recovered and at present there are insufficient officer resources to meet the demand for the surveys required to establish eligibility of works and costs.

Staffing Requirements

5.29 To successfully deliver this work programme and deliver on the proposed Action Plan, it is anticipated that an empty homes team comprising a minimum of 3.5 full-time equivalent permanent staff be appointed. It is anticipated the structure would comprise:

- Grade 3 permanent administration clerk - for all data entry requirements to the empty property database and updates to the mini website content.
- Grade 8 permanent technical surveyor - for all property condition inspections.
- Grade 9 permanent Empty Property Officer - to progress the on-going risk assessment process and to co-ordinate the development and delivery of the empty homes' strategy, with relevant partners.
- 50% of a Grade 11 permanent Principal Officer - to oversee and manage the empty homes work programme and staff and the administration of associated financial products.

Alternatively, the appointment of the above staff members could be made on a fixed-term basis for an initial period of two years. This would give a commitment to supporting the empty homes project and developing an Empty Homes Strategy, with actions and outcomes being assessed before making a longer-term commitment.

Benefits of Undertaking the Empty Property Work Programme:

- Maximisation of the return of empty properties back into beneficial use, thereby increasing the supply and quality of accommodation within the County Borough.
- Increasing opportunities to address unmet housing need, including homelessness, and demand.
- Effectively dealing with those properties unable to be re-occupied, for example due to size, design and property condition.
- Addressing the strategic objectives identified in the Council's Local Housing Strategy and Private Sector Housing Renewal Policy in so far as they relate to the return to use of empty properties.
- Delivery against WG enforcement agenda
- Co-production, co-ordination and joint implementation of strategies and initiatives, with internal and external partners, for the return to beneficial use of empty homes and non-residential properties.
- Development of relevant partnerships and initiatives to enable sustainable solutions for empty property owners, including working proactively with internal departments such as Council tax, Legal and Planning as well as external organisation such as the Police and Registered Social landlords

- Working closely with regeneration officers to enable empty residential and non-residential properties to be brought back into use, as part of strategic town centre improvements and for other key regeneration initiatives.
- Full utilisation of grant and loan funding streams. Maximising financial investment opportunities in the County Borough.
- Provision of centralised support, advice and assistance to anyone involved with empty properties.

Conclusion

5.30 The delivery of the empty homes work programme by a dedicated team is essential if the Council are going to maximise the return of empty properties to beneficial use and thereby increase the supply and quality of accommodation in the Borough. WG have requested that Local Authorities prioritise actions associated with empty homes that blight our communities. Approval of funding for creation of such a team is required to enable the Council to deliver the proposed Action Plan and assist WG in the delivery of the National Action Plan.

5.31 The VTF initiative is a strictly time limited opportunity to access significant WG funding to support the return to use of empty homes for the benefit of householders and the communities in which these homes are located. A significant interest has been shown by property owners, but the scheme cannot be taken forward without a commitment by the Council to provide an element of funding for 2020/21. Phase 2 of this initiative requires a potential capital financial commitment of an estimated £700,000 from CCBC based on the average grant cost of £20,000, following the increase in the grant maximum with the inclusion of energy related works.

6. ASSUMPTIONS

- 6.1 Staffing costs have been calculated on assumed pay wards for the 2021/22 and 2022/23 financial years.
- 6.2 The VTF Phase 2 service level agreement is promptly signed by the Local Authority.

7. LINKS TO RELEVANT COUNCIL POLICIES

7.1 Corporate Plan 2018-2023.

The report contributes towards or impacts the following Corporate Well-being Objectives:

Corporate Plan (CCBC, 2018-2023): Objective 3 - Address the availability, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's well-being

Caerphilly Homes Service Plan (2018-2023). A Foundation for Success 2018 – 2023
SQL6: Improve the quality of the existing housing stock through targeted intervention; particularly in terms of Council owned housing stock

Welsh Government Policies

Improving Lives and Communities: Homes in Wales (Welsh Government, 2010), which sets out the national context for improving homes and communities

8. WELL-BEING OF FUTURE GENERATIONS

8.1 The report contributes to the Well-being Goals which are:

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

8.2 The report is consistent with the five ways of working as defined within the sustainable development principle in the Act. The five ways of working of the sustainable development principle, listed in the Act are:

- **Long Term** – Housing is a long-term asset. The return to beneficial use of empty homes will have significant long-term benefits to individuals and communities, safeguarding the ability of future generations to meet their long-term needs.
- **Prevention** - The homes returned to use will help to address issues of housing needs and demand across all tenures and will positively impact on the objectives of our internal and external partners. Works undertaken make significant visual improvements to housing and their surrounding environments (improved the look and feel) helping to prevent anti-social behaviour and enviro-crime.
- **Integration** – The proposal looks to integrate property and community improvements that will benefit and transform lives and communities, bringing together a variety of stakeholders to deliver long term sustainable benefits for lives and communities
- **Collaboration** – This report outlines the range of service areas and organisations that the new empty homes team will collaborate with to achieve the return to use of empty homes. It is proposed that an empty property working group be reconvened and developed containing officers from areas including Planning, Regeneration and Housing to work collaboratively for the benefit of all stakeholders.
- **Involvement** - There will be opportunities for owners and people who could potentially live in these homes to have an input into their regeneration. Local communities will also have the opportunity to comment on any proposed developments as part of the planning process.

9. EQUALITIES IMPLICATIONS

There are no equalities implications arising from the report.

10. FINANCIAL IMPLICATIONS

- 10.1 The fixed-term appointments to the Empty Homes Team would cost circa £275k for the proposed initial period of 2 years.
- 10.2 Additional capacity for enforcement by Private Sector Housing could impact on the workloads of Legal Services, necessitating a review of staffing, however this is difficult to predict at this time and therefore would need to be kept under review.
- 10.3 The commitment to Phase 2 of the VTF initiative necessitates a capital investment of approximately £700,000 in 2020/21. In addition, whilst there is provision in the initiative for recovery of staff costs involved in administration of the initiative they are insufficient to meet actual costs.
- 10.4 It is proposed that the total funding requirement of up to £975k should be met from Capital Earmarked Reserves.

11. PERSONNEL IMPLICATIONS

- 11.1 It is proposed that the new empty homes team comprise the following additional staff within Private Sector Housing:-
- Grade 3 Administration Clerk - full time
 - Grade 8 Technical Surveyor - full time
 - Grade 9 Empty Property Officer - full time
 - 50% of a Grade 11 full time Principal Officer
- 11.2 Following consultation with Legal Services, it is unclear at this time as to how much enforcement work will result from the actions of the empty property team. Therefore, the matter will need to be frequently monitored and reviewed and may result in the necessity for additional staff resources within Legal Services in the future.

12. CONSULTATIONS -

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

13. STATUTORY POWER

- 13.1 N/A

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Consultees: Cllr. Phipps - Cabinet Member for Homes, Places & Tourism
Dave Street - Director of Housing and Social Services

Shaun Couzens	- Chief Housing Officer
Fiona Wilkins	- Housing Services Manager
Jane Roberts-Waite	- Co-ordination Strategy Manager
Rhian Kyte	- Head of Regeneration & Planning
Alan Dallimore	- Regeneration Services Manager
Robert Tranter	- Head of Legal Services & Monitoring Officer
Steve Harris	- Acting Section 151 Officer

Appendix 1 PAM/013 Position Table for 2018/19

Appendix 1

Housing	Number of empty private sector properties brought back into use during the year through direct action by the local authority	Number of private sector properties that had been vacant for more than 6 months at 1 April	Percentage of empty private sector properties brought back into use during the year through direct action by the local authority
Isle of Anglesey	78	661	11.8
Gwynedd	54	1,303	4.1
Conwy	25	1,605	1.6
Denbighshire	67	781	8.6
Flintshire	-	-	-
Wrexham	35	628	5.6
Powys	30	1,865	1.6
Ceredigion	14	1,128	1.2
Pembrokeshire	20	1,518	1.3
Carmarthenshire	189	2,554	7.4
Swansea	100	1,859	5.4
Neath Port Talbot	9	1,586	0.6
Bridgend	104	1,237	8.4
The Vale of Glamorgan	111	789	14.1
Cardiff	58	1,568	3.7
Rhondda Cynon Taf	213	2,885	7.4
Merthyr Tydfil	43	629	6.8
Caerphilly	36	1,575	2.3
Blaenau Gwent	29	869	3.3
Torfaen	33	251	13.1
Monmouthshire	10	723	1.4
Newport	7	1,199	0.6
Wales	1,265	27,213	4.6