

# Pecyn Dogfennau Cyhoeddus

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

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



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

**Dyddiad: Dydd Mercher, 3 Chwefror 2021**

Annwyl Syr/Fadam,

Bydd cyfarfod digidol o'r **Cabinet** yn cael ei gynnal trwy Microsoft Teams ar **Dydd Mercher, 10fed Chwefror, 2021** am **10.30 am**. i ystyried materion a gynhwysir yn yr agenda canlynol. Mae croeso i chi ddefnyddio'r iaith Gymraeg yn y cyfarfod, a dylid rhoi cyfnod rhybudd o 3 diwrnod gwaith os ydych yn dymuno gwneud hynny.

Bydd y cyfarfod hwn yn cael ei recordio a bydd ar gael i'w weld trwy wefan y Cyngor, ac eithrio trafodaethau sy'n ymwneud ag eitemau cyfrinachol neu eithriedig. Felly, bydd delweddau/sain yr unigolion sy'n bresennol ac/neu sy'n siarad yn ystod y Cabinet ar gael i'r cyhoedd trwy'r recordiad ar wefan y Cyngor: [www.caerffili.gov.uk](http://www.caerffili.gov.uk)

Yr eiddoch yn gywir,

**Christina Harrhy**  
PRIF WEITHREDWR

## AGENDA

Tudalennau

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

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

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I gymeradwyo a llofnodi'r cofnodion canlynol:-

3	Cynhaliwyd y Cabinet ar 27 Ionawr 2021.	1 - 4
Nodi - Blaenraglen Waith y Cabinet.		
4	Blaenraglen Waith y Cabinet.	5 - 6
I dderbyn ac ystyried yr adroddiad(au) canlynol y mae angen penderfyniadau gweithredol arnynt: -		
5	Polisi Rheoli Legionella	7 - 30
6	Cynllun Beicio i'r Gwaith	31 - 36
7	Cyngor Bwrdeistref Sir Caerffili - Crynodeb o Archwiliad Blynyddol 2020.	37 - 48
8	Taliadau Cyfrif Refeniw Tai - 2021/2022.	49 - 60

### **Cylchrediad:**

Cynghorwyr

S. Cook, N. George, C.J. Gordon, P.A. Marsden, S. Morgan, L. Phipps, J. Ridgewell, Mrs E. Stenner a R. Whiting,

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 Preifatwydd Cyfarfodydd Pwyllgor Llawn](#) ar ein gwefan neu cysylltwch â Gwasanaethau Cyfreithiol drwy e-bostio [grifff2@caerffili.gov.uk](mailto:grifff2@caerffili.gov.uk) neu ffoniwch 01443 863028.



## CABINET

### COFNODION Y CYFARFOD AR BELLTER A GYNHALIWIYD DROS MICROSOFT TEAMS AR DDYDD MERCHER 27 IONAWR 2021 AM 10.30AM

YN BRESENNOL:

Cynghorydd P. Marsden (Arweinydd) - Cadeirydd

Cynghorwyr:

S. Cook (Gofal Cymdeithasol), N. George (Gwastraff a Diogelu'r Cyhoedd), C. Gordon (Gwasanaethau Corfforaethol), S. Morgan (Economi a Menter), L. Phipps (Tai a Lleoedd), J. Ridgewell (Amgylchedd a Seilwaith), E. Stenner (Perfformiad a Gwasanaethau Cwsmeriaid) ac R. Whiting (Dysgu a Chyflawniad).

Ynghyd a:

C. Harrhy (Prif Weithredwr), R. Edmunds (Cyfarwyddwr Corfforaethol - Addysg a Gwasanaethau Corfforaethol), D. Street (Cyfarwyddwr Corfforaethol - Gwasanaethau Cymdeithasol a Thai) ac M.S. Williams (Cyfarwyddwr Corfforaethol Dros Dro - Cymunedau).

Hefyd yn bresennol:

M. Lloyd (Pennaeth Seilwaith), Geraint Roberts (Arweinydd Tîm, Uned Drafnidiaeth Integredig), A. Dallimore (Rheolwr Gwasanaethau Adfywio), R. Kyte (Pennaeth Adfywio a Chynllunio), S. Harris (Pennaeth Gwasanaethau Ariannol a Swyddog S151), R. Tranter (Pennaeth Gwasanaethau Cyfreithiol a'r Swyddog Monitro), C. Evans (Swyddog Gwasanaethau'r Pwyllgor).

### TREFNIADAU RECORDIO A PHLEIDLEISIO

Atgoffodd yr Arweinydd y rhai a oedd yn bresennol fod y cyfarfod yn cael ei ffilmio ond na fyddai'n cael ei ffrydio'n fyw, ond byddai recordiad ar gael yn dilyn y cyfarfod drwy wefan y Cyngor – Cliciwch yma i'w weld. Dywedodd y byddai penderfyniadau yn cael eu gwneud drwy Microsoft Forms.

#### 1. YMDDIHEURIADAU DROS ABSENOLDEB

Ni chafwyd unrhyw ymddiheuriadau am absenoldeb.

#### 2. DATGANIAD BUDDIANNAU

Ni chafodd unrhyw ddatganiadau o fuddiannau eu derbyn ar ddechrau neu yn ystod y cyfarfod.

#### 3. CABINET – 13 IONAWR 2021

PENDERFYNWYD, yn amodol ar wneud y diwygiad ar gofnod rhif 6 isod: Cynigion Cyllideb Ddrafft ar gyfer 2021/22, tudalen 2, paragraff 6 sy'n cyfeirio at y cyfnod pedair

blynedd 2022/23 i 2025/23 (dim ond yn y Saesneg), dylai hynny ddarllen 2022/23 i 2025/26 a thudalen 3, paragraff 3 )yn y ddwy iaith) sy'n cyfeirio at 79,754 eiddo ym Mand A i C, dylai'r ffigwr hwn fod yn 60,627. i gymeradwyo cofnodion y cyfarfod fel cofnod cywir.

#### **4. BLAENRAGLEN WAITH Y CABINET - I'W NODI**

Darparwyd Blaenraglen Waith y Cabinet i'r Cabinet, a oedd yn manylu ar yr adroddiadau a oedd ar yr amserlen rhwng 13 Ionawr 2021 i'r 21 Ionawr 2021. Atgoffwyd yr Aelodau mai dogfen weithredol yw Blaenraglen Waith y Cabinet ac felly'n gallu newid.

Gofynnwyd i'r Cabinet nodi y byddai rhagolwg hirach o adroddiadau yn cael ei ddarparu yn y cyfarfod nesaf, fodd bynnag, nid yw'n bosibl darparu cyfnod sylweddol yn y dyfodol gan fod y rhaglen yn aml yn agored i newid ac felly nid yw ar gael i'r cyhoedd.

Yn dilyn ystyriaeth a thrafodaeth, fe'i cynigiwyd ac eiliwyd bod y Blaenraglen Waith yn cael ei nodi. Drwy ddangos dwylo cytunwyd hyn yn unfrydol.

PENDERFYNWYD y dylid nodi Blaenraglen Waith y Cabinet.

#### **PENDERFYNIAD GWEITHREDOL NAD YW'N DESTUN GALW I MEWN**

#### **5. CYNLLUN ARGYFWNG BYSIAU (CAB) – CAIS I BOB CYNGOR GOFRESTRU AR GYFER CYNLLUN CAB 2**

Roedd yr adroddiad yn rhoi'r cyd-destun ehangach, y cefndir a'r rhesymau dros y Cynllun Argyfwng Bysiau 2 (CAB2) i'r Cabinet, a gofynnodd am gytundeb yr awdurdod i ymuno â chynllun CAB 2.

Nodwyd bod pandemig Covid-19 wedi effeithio'n ddifrifol ar deithio ar fysiau, gyda nifer y teithwyr yn gostwng yn sylweddol, ac roedd y gofyniad am ymbellhau cymdeithasol a gofynion glanhau ychwanegol yn ychwanegu beichiau a chostau pellach ar weithredwyr. Er bod Llywodraeth Cymru ac awdurdodau lleol wedi camu i'r adwy i gefnogi'r sector gyda chymorth ariannol sylweddol, mae'r math presennol o gymorth ariannol yn anghynaliadwy. Mae CAB2 yn darparu mecanwaith ar gyfer rheoli'r broses o adfer ac ail-lunio gwasanaethau bysiau er mwyn ymateb i effaith pandemig COVID-19.

Diolchodd y Cabinet i'r swyddog a'r Aelod Cabinet am yr adroddiad a chafwyd trafodaeth.

Trafododd y Cabinet yr adroddiad yn drylwyr a chodwyd ymholiadau ynghylch sut y byddai'r diwydiant bysiau'n dod allan o'r pandemig a sut y byddai'r adferiad yn cael ei drin. Esboniodd swyddogion y bu effaith enfawr ar wasanaethau o ganlyniad i'r pandemig, ond bydd cyllid CAB 2 yn annog cydweithio i ddarparu gwasanaeth ac adnoddau gwydn i'r cymunedau y mae eu hangen fwyaf.

Atgoffwyd y Cabinet bod yr eitem hon wedi'i phennu fel eitem frys, ac felly nad yw'n destun Galw i Mewn.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd i gymeradwyo'r argymhelliad yn yr adroddiad. Cytunwyd ar hyn yn unfrydol ar y system bleidleisio electronig.

PENDERFYNWYD, am y rhesymau a gynhwyswyd yn adroddiad y Swyddog i wneud y canlynol:-

- i) Cytuno ar egwyddorion cytundeb CAB 2 (Atodiad 2) er mwyn sicrhau cymorth ariannol (amodol) i'r sector bysiau ac i ffurfioli perthynas â Chyngor Sir Fynwy, fel llofnodwr ac Awdurdod arweiniol De Ddwyrain Cymru;
- ii) Dirprwyo'r awdurdod i Gyfarwyddwr Corfforaethol Dros Dro Cymunedau i drafod a chytuno ar unrhyw ddiwygiadau pellach i'r cytundeb y gallai fod eu hangen;
- iii) Cefnogi'r galwad drwy'r awdurdod arweiniol am adroddiad pellach ar y cynigion i ddiwygio bysiau gan Lywodraeth Cymru, sy'n ymwneud â rheoli gwasanaethau bysiau yng Nghymru yn y dyfodol.

## **6. MATER WEDI'I EITHRIO**

Ystyriodd yr Aelodau dystysgrif prawf budd y cyhoedd gan y Swyddog Priodol a daeth i'r casgliad bod cydbwysedd budd y cyhoedd o ran cynnal yr eithriad yn gorbwysu budd y cyhoedd wrth ddatgelu'r wybodaeth, felly

PENDERFYNWYD, yn unol ag Adran 100A(4) Deddf Llywodraeth Leol 1972, dylid eithrio'r cyhoedd o weddill y cyfarfod oherwydd y byddai'n debygol y datgelir gwybodaeth eithriedig iddynt fel y nodwyd ym mharagraff 14 o Ran 4 o Atodlen 12A Rheoliadau Deddf Llywodraeth Leol 1972.

## **7. STRYD PENTREBANE CAERFFILI – DEFNYDDIO PWERAU GPG**

Rhoddodd yr adroddiad y wybodaeth ddiweddaraf i'r Cabinet am y defnydd arfaethedig o'r broses Gorchymyn Prynu Gorfodol (GPG), a'r gofyniad ariannu cysylltiedig i hwyluso'r gwaith o ailddatblygu ochr ddeheuol Stryd Pentrebane, Caerffili.

Yn dilyn ystyriaeth a thrafodaeth, cynigiwyd ac eiliwyd i gymeradwyo argymhellion yr adroddiad. Trwy bleidlais electronig cytunwyd ar hyn yn unfrydol.

PENDERFYNWYD yn amodol ar y rhesymau a gynhwyswyd yn Adroddiad y Swyddog, bod yr argymhellion ym mharagraff 3.1 yn cael eu cymeradwyo.

Daeth y cyfarfod i ben am 10.50am.

Wedi'i gymeradwyo a'i llofnodi fel cofnod cywir, yn amodol ar unrhyw gywiriadau a wnaed yn y cyfarfod a gynhaliwyd ar 10 Chwefror 2021.

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CADEIRYDD

Gadewir y dudalen hon yn wag yn fwriadol

Blaenraglen Waith y Cabinet

Dyddiad y Cabinet	Teitl	Materion Allweddol	Awdur	Aelod Cabinet
17/02/21 10:30	Cynigion y Gyllideb ar gyfer 2021/22 a'r Rhagolwg Ariannol Tymor Canolig	Ceisio cadarnhad y Cabinet ar gyfer cynigion y gyllideb ar gyfer 2021/22, cyn penderfyniad terfynol y Cyngor ar 24 Chwefror 2021.	Harris, Stephen R;	Y Cyngorydd Stenner,
24/02/21 10:30	Fframwaith Lles a Lluio Lleoedd	Ceisio cymeradwyaeth i ymgynghori ac ymgysylltu ynghylch y rhaglen buddsoddi cyfalaf ar gyfer y Fwrdeistref Sirol	Harrhy, Christina;	Y Cyngorydd Marsden, Philippa; Y Cyngorydd Morgan, Sean;
24/02/21 10:30	Gwyliau Blynyddol	Cabinet i ystyried yr opsiynau i fynd i'r afael â throsglwyddo balansau gwyliau blynyddol dros 5 niwrnod ar gyfer 2020.	Donovan, Lynne;	Y Cyngorydd Gordon,
24/02/21 10:30	Adroddiad Monitro Cyllideb Refeniw'r Awdurdod Cyfan (Cyfnod 9)	Darparu manylion am wariant rhagamcanol cyllideb refeniw'r awdurdod cyfan i'r Cabinet ar gyfer blwyddyn ariannol 2020/21 a cheisio cymeradwyaeth ar gyfer buddsoddiadau untro arfaethedig.	Harris, Stephen R;	Y Cyngorydd Stenner,
24/03/21 10:30	Bwlch Cyflog rhwng y Rhywiau	Y Tîm Rheoli Corfforaethol a'r Cabinet i gytuno ar yr adroddiad Bwlch Cyflog rhwng y Rhywiau y mae'n rhaid ei gyhoeddi erbyn 31 Mawrth	Donovan, Lynne;	Y Cyngorydd Gordon,
24/03/21 10:30	Adroddiad Interim gan y Grŵp Gorchwyl a Gorffen ar Gostau Gofal Dibreswyl	Argymhell i'r Aelodau eu bod yn gofyn i'r Cabinet estyn y cynnydd cyfredol yn y gyfradd ar gyfer blwyddyn ariannol 2021/22. Bydd hyn yn caniatáu i'r Grŵp Gorchwyl a Gorffen barhau ei ymchwiliad a drafftio'i argymhellion ar gyfer ystyriaeth y Cabinet ar gostau Gofal Dibreswyl o 2022/23 ymlaen	Jacques, Mark;	Y Cyngorydd Cook, Sh
24/03/21 10:30	Papur Gwyn ar Ailgydbwysu Gofal a Chymorth	Rhannu cynnig Papur Gwyn Llywodraeth Cymru ar Ailgydbwysu Gofal a Chymorth a cheisio barn Aelodau o ran ymateb i'r ymgynghoriad.	Street, Dave;	Y Cyngorydd Cook, Sh

Eluned;

Colin J;

Eluned;

Colin J;

Rayne;

Rayne;





## **CABINET – 10TH FEBRUARY 2021**

**SUBJECT:               LEGIONELLA CONTROL POLICY**

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

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### **1.       PURPOSE OF REPORT**

1.1     The purpose of the report is to seek Cabinet approval of the Legionella Control Policy.

### **2.       SUMMARY**

2.1     The Authority has in place a number of policies setting out its approach to managing key health and safety risks. Due to the high risk associated with legionella, there is need for a policy setting out the Authority's commitment to and arrangement for managing legionella safety. Competent specialist advice has been sought to assist with the development of the policy.

### **3.       RECOMMENDATIONS**

3.1     Cabinet are asked to consider and approve the Legionella Control Policy attached at Appendix 1.

### **4.       REASONS FOR THE RECOMMENDATIONS**

4.1     The recommendation is made to ensure that the Authority meets its statutory responsibilities under Health and Safety legislation.

### **5.       THE REPORT**

5.1     Ensuring that there are robust arrangements to manage water systems where there is a means of creating and transmitting breathable water droplets (aerosols), thus causing a reasonably foreseeable risk of exposure to legionella bacteria is fundamental to the safe and efficient operation of Council premises.

5.2     Legionella bacteria, legionella pneumophilia and related bacteria are found in natural water sources and may also be found on water systems such as cooling towers evaporative condensers, hot and cold water systems and spa pools. If conditions are

favourable, the bacteria may grow. The risk increases with age, however, some people are at higher risk, including people over 45 years of age, smokers and heavy drinkers, people suffering with chronic, respiratory or kidney disease, people with diabetes, lung or heart disease, and anyone with an impaired immune system.

- 5.3 The policy details the role and responsibilities at all levels for managing the risks associated with legionella, including ensuring there is a risk assessment and written scheme in place and also that appropriate checks are in place.
- 5.4 The policy details the practical measures which will be undertaken to control the risks including:
- Identifying the risk from legionella.
  - Written scheme to control the risk
  - Avoiding conditions suitable for growth of the organisms
  - Use of thermostatic mixing valves (TMVs)
  - Nutrients
  - Transmission of the bacteria
  - Susceptibility
  - Record keeping
  - Asbestos issues affecting legionella checks/ works
- 5.5 Compliance with the policy will enable the Authority to meet its obligations under the Health and Safety at Work etc. Act 1974 and the Control of Substances Hazardous to Health Regulations 2002.

## 5.6 **Conclusion**

The policy will help to ensure that the Council is meeting its legal responsibilities under Health and Safety legislation and will assist in ensuring there is a robust health and safety framework in place to keep employees and others safe.

## 6 **ASSUMPTIONS**

- 6.1 No assumptions have been made within this report.

## 7. **LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 This report links to the Corporate Health and Safety Policy and Control of Substances Hazardous to Health Policy (COSHH) and other CCBC Health and Safety Policies.

### 7.2 **Corporate Plan 2018-2023.**

The report content contributes towards the following Corporate Well-Being Objectives identified within the Council's Corporate Plan 2018-2023:

Objective 1 - Improve education opportunities for all. Through affording Health and Safety training opportunities both for our employees and for others across the borough which will support with developing skills and improving employability in a

safe environment where the risks are effectively managed.

Objective 2 - Enabling employment. Through ensuring that CCBC employees and others affected by our work activities are kept safe and healthy whilst at work and able to remain in employment.

Objective 5 - Creating a County Borough that supports a healthy lifestyle in accordance with the sustainable Development Principle within the Wellbeing of Future Generations (Wales) Act 2015. Through ensuring that the health risks associated with work are assessed, controlled and managed in accordance with the relevant health and safety policy and that health and safety training provided ensures that Managers and employees are aware of the Health and Safety policies and practises that support good health and well-being.

Objective 6 - Support citizens to remain independent and improve their well-being. Through ensuring that our health and safety policies and practises promote good health and well-being.

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

8.1 This report contributes to the Well-being Goals as set out in the Well-Being of Future Generations (Wales) Act:-

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales

8.2 It is also consistent with the five ways of working as defined within the sustainable development principle in the Act in that we will seek to consider the long-term impact of Health & Safety policies and practices and training, we will seek to prevent any ongoing issues and ensure that Health & Safety is integrated into good management. We will also ensure there is effective collaboration and involvement as required in order to meet our legal Health & Safety objectives in line with the act. This will assist in safeguarding the health and safety of our employees, residents, service users and visitors and ensure that the Council as a public body and social landlord meets its regulatory duties and corporate objectives.

## **9. EQUALITIES IMPLICATIONS**

9.1 There are no equalities implications within this report.

## **10. FINANCIAL IMPLICATIONS**

10.1 There are no financial implications within this report.

## **11. PERSONNEL IMPLICATIONS**

11.1 There are no personnel implications within this report.

## **12. CONSULTATIONS**

12.1 All comments from consultees have been included in the report.

## **13. STATUTORY POWER**

13.1 The Health and Safety at Work etc. Act 1974  
The Management of Health and Safety at Work Regulations 1999  
The Control of Substances Hazardous to Health Regulations 2002.

Author: Emma Townsend, Health and Safety Manager

Consultees: Corporate Management Team  
Cllr Colin Gordon, Cabinet Member for Corporate Services  
Stephen Harris, Head of Financial Services & S151 Officer  
Robert Tranter, Head of Legal Services & Monitoring Officer  
Lynne Donovan, Head of People Services  
Mark Williams, Interim Head of Property Services  
Corporate Health & Safety Committee

Appendices:

Appendix 1 Legionella Control Policy

# CAERPHILLY COUNTY BOROUGH COUNCIL

## LEGIONELLA CONTROL POLICY

<b>Version:</b>	<b>Version 1</b>
<b>Policy Ratified by:</b>	<b>Cabinet</b>
<b>Date:</b>	<b>February 2021</b>
<b>Area Applicable:</b>	<b>Technical Services, Building Managers, Relevant Contractors</b>
<b>Review Year</b>	<b>2024</b>



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This publication is available in Welsh, other languages or formats on request.

Mae'r cyhoeddiad hwn ar gael yn Gymraeg ac mewn ieithiodd neu fformatau eriall ar gais.

**NOTE**

Wherever the designation “manager” is used throughout this policy, it is taken to mean Head of Service, Head Teacher, Line Manager, Supervisor and the Officer

in charge or anyone who has responsibilities for employees in the course of their work.

## 1. INTRODUCTION

- 1.1 This document sets out the policy, and outlines the protective and preventative measures to be implemented by Caerphilly County Borough Council (the Authority), in the control of legionella in water systems within premises owned and operated by the Authority. CCBC Domestic premises are excluded from this policy and are subject to local arrangements covering legionella.
- 1.2 The Authority is ‘Duty Holder’ and, therefore, responsible for ensuring that employees, service users, visitors and contractors are protected from the risk of legionellosis by complying with the relevant Health and Safety Regulations and the duties imposed by them.
- 1.3 The Authority is responsible for ensuring that the risk from legionellosis is controlled and maintained to an acceptable level. The HSE Approved Code of Practice and guidance ‘The Control of Legionella Bacteria in Water Systems (L8) stresses that whilst the tasks required to be undertaken to control the risk may be contracted to an external specialist contractor, the owner/operator must take all reasonable care to ensure the competence of the service provider to carry out the work on their behalf.
- 1.4 The Authority will carry out an assessment of legionella risks and periodic review at all premises where there exists an undertaking involving a work activity managed by the authority or being carried out on its behalf. The requirement for risk assessment applies to premises controlled in connection with a trade, business or other work related activity, where water is used or stored; and where there is a means of creating and transmitting water droplets (aerosols) which may be inhaled, causing a reasonably foreseeable risk of exposure to legionella bacteria. The risk assessments will be reviewed regularly with the frequency based on the level of risk.
- 1.5 The Authority will ensure that the person or organisation, who is contracted to carry out the risk assessment and provide advice on prevention and control of exposure, is competent to do so. Any individual or contractor appointed must be able to prove compliance with the Code of Conduct administered by the Legionella Control Association (LCA).

## 2. POLICY STATEMENT

- 2.1 Caerphilly County Borough Council is committed to managing the risks associated with legionella to comply with the terms of ACoP L8.

This Policy is intended to highlight the key areas and requirements which need to be implemented, in order that the Authority reduces the risk from legionellosis so far as reasonably practicable, and outlines the written scheme the Authority must maintain in order to meet these requirements.

In summary: -



- The Authority will appoint suitably qualified personnel / contractors to access, control and manage the risk from legionella bacteria ensuring it identifies and assesses the sources of all risk and prepares a written scheme on behalf of the Authority.
- The Authority will oversee the development of a written scheme to prevent or control those risks so far as reasonably practicable.
- The Authority will implement control and monitoring procedures to ensure that the risks from legionella are eliminated or controlled and thereafter such controls are reviewed as necessary in accordance with ACoP L8.
- The Authority will keep up to-date records of precautions and management systems in place, and will oversee the actions of others in relation to legionella control via Statutory Maintenance Group and regular updates to CMT.
- The authority will use RAMIS to record the written scheme cyclic monitoring required, risk assessment and any other site documents related to legionella control / management.

2.2 The Authority uses RAMIS an electronic compliance database and written scheme, on which to publish, control and monitor its written scheme, and this database shall identify, and be fully accessible to all personnel who have responsibilities detailed in this policy. The database shall control and record the following:

- The frequency and timings of past and future cyclic monitoring required, relevant to each individual property.
- The Critical Control points (reactive tasks) required to reduce the risk to as low as reasonably possible, their priority score, target and completion dates.
- The site records and electronic copies of critical documents, including monitoring reports, the Legionella Risk Assessment, and the water system schematic.
- The Building Manager who has day to day responsibility for legionella management at that site, and their contact details.
- An electronic record of all entries and communications sent through the system including emails, reports, requests and automated calendar updates and requests.

### 3. SCOPE

- 3.1 This policy applies to all premises or any work activity which uses or stores water under Authority control. The policy also applies to installation of new hot and/or cold water systems or repair and maintenance work undertaken on existing hot and cold water systems.
- 3.2 This Policy also applies where establishments/schools order work directly from contractors without reference to Property Services. In this regard the commissioning officer is the Responsible Person for ensuring compliance with relevant Regulations and this policy.
- 3.3 This policy has been agreed with the Trade Unions and applies to all relevant employees.
- 3.4 This policy will be reviewed at least every 3 years to ensure it is in line with current legislation and guidance and remains fit for purpose.
- 3.5 The effective date of the policy is February 2021.

### 4. DEFINITIONS

- 4.1 For the purpose of this policy, the following definitions are to be used and applied throughout the policy:-
- Aerosol: a suspension in a gaseous medium of solid particles, liquid particles or solid and liquid particles having a negligible falling velocity. In the context of this document, it is a suspension of particles which may contain legionella with a typical droplet size of <math><5 \mu\text{m}</math> that can be inhaled deep into the lungs.
  - Algae: a small, usually aquatic, plant that requires light to grow.
  - Bacteria: (singular bacterium) a microscopic, unicellular (or more rarely multicellular) organism.
  - Biofilm: a community of bacteria and other microorganisms embedded in a protective layer with entrained debris, attached to a surface.
  - Calorifier: an apparatus used for the transfer of heat to water in a vessel, the source of heat being contained within a pipe or coil immersed in the water.
  - Cold water system: installation of plant, pipes and fitting in which cold water is stored, distributed and subsequently discharged.
  - Dead leg: a pipe leading to an outlet through which water flows but the outlet is unused/rarely used.

- Dead/blind end: a redundant length of pipe, closed at one end, through which water cannot flow.
- Fouling: organic growth or other deposits including deposits of dissolved salts in the water supply on heat transfer surfaces causing loss in efficiency.
- Hot water system: installation of plant, pipes and fittings in which water is heated, distributed and subsequently discharged (not including cold water feed tank or cistern).
- Legionellosis: any illness caused by exposure to legionella.
- Microorganism: an organism of microscopic size, including bacteria, fungi and viruses.
- Nutrient: a food source for microorganisms.
- Risk assessment: identifying and assessing the risk from legionellosis from work activities and water sources on premises and determining any necessary precautionary measures.
- Sentinel taps: for hot water services – the first and last taps on a recirculating system. For cold water systems (or non-recirculating HWS), the nearest and furthest taps from the storage tank. The choice of sentinel taps may also include other taps which represent parts of the recirculating system where monitoring can aid control.
- Slime: a mucus-like exudate that covers a surface produced by some microorganisms.
- Sludge: a general term for soft mud-like deposits found on heat transfer surfaces or other important sections of a cooling system. Also found at the base of calorifiers and cold water storage tanks.
- Stagnation: the condition where water ceases to flow and is therefore liable to microbiological growth.
- Thermostatic mixing valve: a mixing valve in which the temperature at the outlet is pre-selected and controlled automatically by the valve.

## 5. LEGISLATION

- 5.1. This policy, along with its supporting procedures, is designed to ensure the Authority meets its legal obligations under the following legislation and technical standards:-

- HSE, Legionnaires' disease, The control of legionella bacteria in water systems, Approved Code of Practice (ACoP) and guidance on regulations (fourth edition) known as L8.
- HSE, Legionnaires' disease, Part 1: The control of legionella bacteria in evaporative cooling systems.
- HSE, Legionnaires' disease, Part 2: The control of legionella bacteria in hot and cold water systems.
- HSE, Legionnaires' disease, Part 3: The control of legionella bacteria in other risk systems.
- Health and Safety at Work etc. Act 1974.
- The Management of Health and Safety Regulations 1999.
- The Control of Substances Hazardous to Health Regulations 2002.
- The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013.

## 6. RESPONSIBILITIES

### 6.1 The Chief Executive Officer will:

- 6.1.1 Seek assurance from Directors and Responsible Officers that this policy is being applied and that appropriate arrangements are in place to ensure ongoing compliance with this policy within Caerphilly County Borough Council. Receive and scrutinise compliance statistics for legionella control and ensure that arrangements are regularly reviewed.

### 6.2 Corporate Management Team and Heads of Service will:

- 6.2.1 Receive and scrutinise compliance statistics in relation to Legionella Control and review proactive and reactive reports in relation to compliance with this policy.
- 6.2.2 Ensure that appropriate resources are made available for the safe management, inspection and testing of water systems.
- 6.2.3 Ensure that each building has an appointed person who will take day to day responsibility of legionella management.

### 6.3 Property Services will:

- 6.3.1 For those Authority premises where Property Services has the responsibility and funding for repairs and maintenance, will ensure that it follows the policy set out in this document.
- 6.3.2 For Authority premises where Property Services do not have the responsibility and funding for repairs and maintenance, Property Services will take responsibility for arranging and closing out Priority 1 (P1) and Priority 2 (P2) legionella remedial tasks for all Council premises and recharging the relevant service area or school. For buildings where Property Services have no responsibility, the relevant building manager shall be responsible for the day to day management of legionella.
- 6.3.3 Ensure appropriate technical resources are in place, both internal and external to support the organisation to effectively implement the policy and meet legal requirements to help ensure ongoing quality of hot and cold water systems, this includes ensuring that all works undertaken to hot and cold water systems, considers and reduces the risk of legionella growth.
- 6.3.4 Appoint a responsible person for the day-to-day management for controlling the identified risks from legionella bacteria in accordance with the ACoP L8.
- 6.3.5 Engage and manage external competent water quality contractors to undertake legionella risk assessments, highlighting remedial engineering actions necessary to prevent stagnation in the water system and prioritise the actions using a P1-P3 scoring system, prepare/review and update written schemes (including schematics as required) and to action remedial tasks as directed and record information on RAMIS.
- 6.3.6 The risk assessment will highlight remedial engineering actions necessary to prevent stagnation in the water system and these will be scheduled for action, and prioritised, using the risk scoring system and recorded as critical control points in the written scheme.
- 6.3.7 The Authority in conjunction with the risk assessor will adopt a simple assessment scoring index which will identify the risk priority as:
- High Priority (P1) – Action to reduce the risk will be implemented inside 60.
  - Medium Priority (P2) – Action to reduce the risk will be implemented inside 90 days.
  - Low Priority (P3) – Recommendations or advisory actions to improve the system.
- 6.4 Property Services Project Officers/Designers will:-**

- 6.4.1 Ensure that works for which they are responsible comply fully with all relevant regulations and this policy.
- 6.4.2 Ensure that systems are correctly disinfected and commissioned prior to being put into service and that disinfection certificates are scrutinised prior to uploading to RAMIS.
- 6.4.3 Ensure that legionella risk and scald risk are considered and the relevant risk assessed when evaluating the need of TMVs.
- 6.4.4 Infrequently used showers (less than once per week) should be removed from the supply and the associated redundant pipework cut back as close as possible to a common supply e.g. recirculating pipework or pipework supplying a more frequently used upstream fitting.
- 6.4.5 Low volume spray taps should be avoided in premises where there are known individuals susceptible to the legionella bacteria.
- 6.5 The Health and Safety Division will:**
- 6.5.1 Communicate this policy and Corporate Management Arrangement to all Managers.
- 6.5.2 Assist with monitoring compliance with this policy.
- 6.5.3 Direct appropriate investigations of any incidents, liaising with relevant officers as appropriate.
- 6.5.4 Report as required to the Statutory Maintenance Group and/or Corporate Management Team on performance against the requirement of the policy.
- 6.6 Statutory Maintenance Board will:**
- 6.6.1 Be chaired by an appointed Head of Service and made up of Technical Officers and Senior Officers representing relevant service areas.
- 6.6.2 Meet at least quarterly to monitor statutory compliance including legionella control in hot and cold water systems.
- 6.6.3 Review compliance statistics and contractor performance and advise and monitor where improvements are required.
- 6.6.4 Report to Corporate Management Team as required.
- 6.7 Building Managers will:-**
- 6.7.1 Take day to day responsibilities for legionella management.

- 6.7.2 Ensure that any remedial tasks identified by the Legionella Risk Assessment, or maintenance inspection are undertaken within the required timescale. RAMIS will display remedial tasks and recommendations for legionella control. The Building Manager must ensure that remedial tasks are completed within the stipulated timescales.
- 6.7.3 Ensure they are familiar with the written scheme for control of legionella at their site and have arrangements in place for undertaking the relevant checks (please refer to appendix 1) and recording on RAMIS with records uploaded within 3 months.
- 6.7.4 Ensure that full access is provided to the appointed Water Quality Contractor to undertake the relevant inspections in line with the Written Scheme for the premises. Make available to the contractor any on site records for relevant checks as detailed in Appendix 1.
- 6.7.5 Report any concerns with regards to hot and cold water systems to Property Services so relevant action can be taken.
- 6.7.6 Ensure that water temperature is maintained to avoid the temperature range 20 deg C – 45 deg C. ensure that where identified as a critical control point on the written scheme water temperature is maintained at 60 deg C to ensure that the furthest point of the system receive water within one minute at a minimum of 50 deg C. Where relevant check identify these criteria are not being met seek advice from competent person.
- 6.8 Competent Contractor responsibilities:-**
- 6.8.1 Identify and assess the sources of legionella risk in accordance with the L8 and HSG 274.
- 6.8.2 As directed complete a legionella risk assessment and written scheme to prevent and control the legionella risk for each premise taking into account increased susceptibility of persons over 45, smokers and heavy drinkers, people suffering from chronic respiratory or kidney disease, diabetes, lung and heart disease or anyone with an impaired immune system.. Review the risk assessment highlighting the frequency of cyclical inspections for each site.
- 6.8.3 Provide competent advice in accordance with L8, HSC 274 and the relevant BS as requested.
- 6.8.4 Where contracted to do so complete monthly, quarterly, 6 monthly, annual checks and provide up to date records.
- 6.8.5 Record, risk assessment, written scheme, relevant checks and remedial actions on RAMIS.
- 6.8.6 Complete remedial actions as requested.

## 7. IDENTIFYING THE RISK FROM LEGIONELLA

- 7.1 The Authority will carry out an assessment of legionella risks and periodic review at all premises where there exists an undertaking involving a work activity managed by the authority or being carried out on its behalf. The requirement for risk assessment applies to premises controlled in connection with a trade, business or other work related activity, where water is used or stored; and where there is a means of creating and transmitting water droplets (aerosols) which may be inhaled, causing a reasonably foreseeable risk of exposure to legionella bacteria.
- 7.2 The Authority will ensure that the person or organisation, who is contracted to carry out the risk assessment and provide advice on prevention and control of exposure is competent to do so. Any individual or contractor appointed must be able to prove compliance with the Code of Conduct administered by the Legionella Control Association (LCA)

## 8. WRITTEN SCHEME

- 8.1 The risk assessment stage will have identified and evaluated potential sources of risk and for the purpose of the written scheme will identify:
- The particular means of preventing exposure to legionella bacteria; or if prevention is not reasonably practicable then the particular means of controlling the risk from exposure to legionella bacteria.
- 8.2 The Approved Code of Practice (ACoP) L8 states the risk from exposure should normally be controlled by measures which do not allow the growth of legionella bacteria in the system and, or, which reduce exposure to water droplets and aerosols.

## 9. PRESENCE OF LEGIONELLA BACTERIA

- 9.1 Legionella bacteria is widespread in lakes, rivers and reservoirs and as such is common in the water supplies it receives. To limit its presence the Authority adapts an approach of limiting the use of non-towns mains supply wherever possible to do so, and where not possible ensure that increased controls and monitoring regimes are in place to control the increased risk.



## 10. CONDITIONS SUITABLE FOR GROWTH OF THE ORGANISMS

- 10.1 In keeping with ACOP L8 the Authority will where possible ensure that water temperatures are maintained at all times to avoid the temperature range 20 c – 45 c.
- 10.2 Where temperature is being used as a Critical Control Point such as on hot water storage calorifiers, then it will be maintained at minimum level of 60 c in order to ensure that the furthest points on the system receive water within one minute of 50 c.

## 11. THERMOSTATIC MIXING VALVES (TMVs)

- 11.1 Thermostatic Mixing Valves use a temperature sensitive element and blend hot and cold water to produce water at a temperature that safeguards against the risk of scalding. However, blended water downstream of the TMV can provide an environment in which legionella can multiply, thus increasing the risk of exposure. Where the risk of scalding is assessed as low, TMVs should not be installed. The risk from scalding affects the very young, elderly, infirm or those with physical or mental disability or those with sensory loss. TMVs should not be installed unless the risk of scalding is regarded as higher than the risk from legionella infection. Where TMV's are fitted they should be fitted to relevant outlets only.
- 11.2 Where TMV's are to be fitted the following should be adhered to:-
- TMVs should be incorporated into a mixer tap, TMV 3 approved to WRAS standard.
  - TMVs should not be fitted to low flow rate spray taps as this increases the risk from legionella.
  - TMVs should not be fitted to serve multiple outlets as this increases the risk from legionella.
  - Where TMV's are designed to supply both cold and blended water, an additional separate cold tap is rarely needed and is likely to become a little used outlet.

## 12. NUTRIENTS

- 12.1 Sludge, scale, rust, algae other organism matter and bio film are increased where there is 'poor housekeeping' or 'poor turnover' in the water system. All

such identified risks should be monitored and limited as follows:

- The risk assessment will highlight a frequency of cyclical inspection for each water system that will ensure it can be checked for good housekeeping in accordance with ACOP L8, and this will be recorded in the written scheme
- The risk assessment will highlight remedial engineering actions necessary to prevent stagnation in the water system and these will be scheduled for action, and prioritized, using the risk scoring system set out in the Legionella Control Policy.

### 13. TRANSMISSION OF THE BACTERIA

13.1 Transmission of the bacteria occurs by creating and spreading breathable droplets, e.g. the aerosol generated by cooling towers, showers or spa pools. In order to limit transmission of water droplets, the Authority's policy is as follows:

- Infrequently used showers (less than once per week) should be removed from the supply and the associated redundant pipework cut back as close as possible to a common supply e.g. recirculating pipework or pipework supplying a more frequently used upstream fitting.
- Low volume spray taps should be avoided in premises where there are known individuals susceptible to the legionella bacteria. Spa pools/Jacuzzi baths must be subject to a separate risk assessment and water treatment programme.

### 14. SUSCEPTIBILITY

14.1 The risk from legionella bacteria is greatly increased where the presence (and numbers) of people who may be exposed increases, especially in premises where occupants are particularly vulnerable e.g. residential homes. Therefore the authority will:

- Follow the risk assessment scoring system set out in the Legionella Control Policy which takes into account increased susceptibility of persons over 45, smoker and heavy drinkers, people suffering from chronic respiratory or kidney disease, diabetes, lung and heart disease or anyone with an impaired immune system.
- The risk assessment score index takes into account increased susceptibility of premises where occupants are particularly vulnerable e.g. RHOP's.

## 15. RECORDS AND REVISIONS

15.1 The Authority uses RAMIS an electronic compliance database on which to publish control and monitor its written scheme and this database shall identify and be fully accessible to all personnel who have responsibilities detailed in this policy, the database shall control and record the following:

- The frequency and timing of past and future cyclic monitoring required, relevant to each individual policy.
- The critical control points (reactive tasks) required to reduce the risk as low as reasonably possible, their priority score, target and completion dates.
- The site records and electronic copies of critical documents including monitoring reports, the legionella risk assessment and the water system schematic.
- The risk assessment which sets out the key person applicable to legionella management at that site.

## 16. ASBESTOS ISSUES WHICH AFFECT LEGIONELLA CHECKS/WORKS

16.1 CCBC requires that all operatives working on its buildings have received asbestos awareness training from a suitably accredited provider (UKATA/ IATP/ BOHS/ ASHEeLA) within the previous 12 months. Furthermore, those involved in statutory testing including legionella checks and works must have also received Task Specific Work with Non-licensed Asbestos Products (Category B) training from a UKATA/IATP registered provider.

16.2 Legionella contractors can access all available asbestos information via the Risk Assessment Management Information System (RAMIS) database. Where required, supplementary guidance provided by the CCBC asbestos team is also included with tender documents and additional support is provided by a CCBC Asbestos Officer, where appropriate.

16.3 It is CCBC policy and a condition of the contract that all contractor's staff sign the asbestos log book for the premises and read the asbestos survey and any associated Notice of Prohibited/Restricted Access Areas relating to the site at commencement of each visit or each job to an Authority building. Please note where a "Notice of Prohibited/Restricted Access Areas" is applied to a Caerphilly site this notice maybe pivotal to legionella inspections/test and works. They will be very detailed and provide advice to accessing ceiling/loft voids or where water tank(s) are located.

16.4 The following section is consistent with the Council's Asbestos Management

**Plan:**

- CCBC requires all internal staff/Contractors working on the fabric of its buildings to have undertaken and completed Asbestos Awareness Training as a minimum. This training must be provided by a Training Company/Trainer accredited by the following bodies (UKATA/ IATP/ BOHS/ ASHEeLA). The training must be valid within the previous 12 months. As stated, Asbestos Awareness is the minimum level of asbestos training required, however, works within some of Caerphilly properties require Non Licensed Training (Category B) as a minimum. This level of training must be accredited by the following bodies -UKATA/IATP) Non Licensed Training has been stipulated as a minimum requirement for those undertaking statutory testing throughout Caerphilly properties.
- The appointed legionella contractors can access all available asbestos information via the Risk Assessment Management Information System (RAMIS) database. However, unless the building is constructed post 2000, then site specific advice and support must be provided by Building Consultancy's Asbestos Officer (AO). This AO has the correct level of training, skills, experience and knowledge to review proposed checks/works and cross reference with all relevant asbestos information relating to site and specific work areas. Following this, the AO will provide advice to support the proposed testing at tender stage, along with all relevant asbestos information. Once the tender is awarded to the successful contractor, there may be a requirement for more detailed specific advice from the AO once contractor has attended site. Also onsite support and monitoring from the AO will be carried out whilst some asbestos works are being undertaken.
- Although asbestos information and advice will have been provided to the selected contractor prior to them attending site(s), the contractors must read the relevant sections of the asbestos survey and any prohibitions or restrictions relating to the site. This must be prior to the commencement of work or disturbance to the fabric of the building or prior to any access into prohibited or restricted areas, they must then confirm they understand the information by completing and signing the Asbestos Log Book for the premises. The Contractors should be fully aware of this information, as it will have been provided to them prior to any access. The Contractor must ensure this information is provided to any members of staff who attend the specific site(s).

# Control of Legionella at Work - Guidance for Building Managers



Legionnaires' disease is the term given to infections caused by the bacteria Legionella Pneumophila (Legionella) and is a form of potentially fatal pneumonia. In the UK there are about 250 identified cases every year with around 10% of these resulting in death. The bacteria is part of the legionellaceae family which cause diseases called Legionellosis (other diseases in this group include Pontiac fever and Lochgoilhead Fever). The infection is caused by inhalation of the legionella bacteria, carried in water droplets in the air (called aerosols). These are created by showers, taps, air humidifiers, air conditioning units, or any other equipment that releases water vapour or droplets into the atmosphere.

Legionella is found in untreated surface waters, is not always removed by conventional water treatment processes and can easily colonise in environments such as hot and cold-water distribution systems. In these systems, legionella is able to flourish at temperatures between 20°C and 45°C especially where dirt, scale or sludge are present. Legionella bacteria is dormant below 20°C and is killed by temperatures above 60°C.

The Health and Safety Executive's Approved Code Of Practice and guidance publication '**Legionnaires' Disease: The Control of Legionella Bacteria in Water Systems**' (L8) provides a comprehensive approach to legionella control. To ensure the legal obligations are met, there is a need to:

1. Identify and assess potential sources of risk – this is undertaken on your behalf by a competent legionella contractor engaged through Property Services. The Risk Assessment is found on RAMIS and any remedial tasks highlighted by the Risk Assessment will be programmed into the system by the contractor, so the relevant work can be organised.
2. Prepare a Written Scheme to prevent and control the risk - this is done on your behalf by a competent legionella contractor and is uploaded to RAMIS
3. Implement manage and monitor the scheme – ensure that actions identified in the risk assessment and Written Scheme are progressed. This includes the following:-

## **To Be Undertaken by a CCBC Appointed Contractor:-**

The Written Scheme for the premises will identify the required checks, the dates that checks are due are recorded within the RAMIS calendar for your premises and will include the following:-

**Annual Checks** – These consist of:

Taking samples from hot water calorifiers (- Samples are only taken if the drains from the calorifier run unclear. If the water runs clear no samples are collected. )

- Visually inspecting cold water tanks and carrying out remedial works
- Servicing mixer valves

RAMIS will provide a date for when this It is your responsibility to ensure that annual checks are completed and to follow up with Building Consultancy if they are not done at the appropriate time.

**6 Monthly Checks** – These may consist of taking the temperature of cold water storage tanks at the ball valve, inspection of expansion vessels, temperature check of point of use heaters etc.

**Quarterly checks** – These maybe required in some premises as determined by Risk Assessment, are undertaken by contractors on your behalf through Building Consultancy. These consist of cleaning, dismantling, de-scaling and disinfecting showerheads and hoses. It is your responsibility to ensure that quarterly checks are completed and to follow up with Building Consultancy if they are not done at the appropriate time.

<b>To Be Arranged by the Building Manager:-</b>
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**Monthly**

**Hot Water - Non Circulating Systems** – Take temperatures at sentinel points (nearest outlet, furthest outlet and any long branches, identified by your written scheme. Water temperatures should be a minimum of 50°C within one minute, 55 °C in Social Services Residential Homes.

**Hot Water – Circulating Systems** – Take temperatures at sentinel points of return legs, identified in your Written Scheme. Temperatures should be taken on the pipework using appropriate temperature checking equipment. Water temperatures should be a minimum of 50°C within one minute, 55 °C in Social Services Residential Homes.

**Cold Water Services** – Check temperatures at nearest furthest sentinel taps from the cold water storage tank, as identified in the written scheme. Outlets should be below 20 °C within two minutes of running the cold water tap.

**Weekly**

**Infrequently used outlets** such as those in disabled facilities, showers etc. which are not used for more than seven days, should be included in a weekly flushing regime. This requires the tap or shower to be run for 5 minutes or until the temperature reaches

that of the supply. This process is very important as it minimised the risk from microbial growth in the peripheral parts of the water system.

## Records

Records of Monthly checks must be retained and uploaded at least quarterly to RAMIS. The appointed contractor may ask to see temperature records at any time to review temperature trends at the premises, to assess overall risk. If a temperature reading is between 20 °C and 50 °C the check should be repeated at that check point later that day or on a different time the following day. If a reading of 20 °C - 50 °C is repeated then advise should be sought from Property Services/Competent Legionella Contractor.

Records of weekly purging must be retained at the premises and uploaded at least quarterly to RAMIS., This task can be included on weekly building checks, but should identify the outlets which are included in the flushing regime.

If there is a case of legionella involving your premises, you may be asked to produce these records for inspection by the Investigating Authority.

## Further Assistance

If you are not sure of the temperature testing points within your premises, please discuss with the Water Quality Contractor to confirm and label. If you require replacement temperature testing equipment please contact Health and Safety 01443 864901.

If you think there is a problem with the water systems at your premises please contact the Water Quality Contractor or Property Services.

## Building Managers Checklist

- ✓ Make sure you are familiar with your Legionella Risk Assessment and Written Scheme.
- ✓ Ensure you progress the remedial tasks which are listed on RAMIS – Property Services will automatically undertake tasks with have a priority 1 or 2 rating due to risk.
- ✓ Ensure you have arrangements in place for weekly purging of little used outlets and monthly temperature checks and any other checks advised in the Risk Assessment and Written Scheme.
- ✓ Ensure you keep records of weekly and monthly checks.
- ✓ Report any problems with temperatures or any concerns regarding your water systems.

Gadewir y dudalen hon yn wag yn fwriadol





## CABINET – 10TH FEBRUARY 2021

**SUBJECT: CYCLE TO WORK SALARY SACRIFICE SCHEME**

**REPORT BY: HEAD OF PEOPLE SERVICES**

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### 1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to seek Cabinet's agreement to increase the current limit on the Cycle to Work salary sacrifice scheme.

### 2. SUMMARY

- 2.1 The Council have operated the Cycle to Work salary sacrifice scheme since June 2010. The scheme provides eligible employees the opportunity to lease a bike to enable them to commute to and from work. Under the scheme employees can lease the bikes from the provider with deductions made through their salary which are exempt from PAYE income tax and national insurance contributions. There are also savings to CCBC of employer's national insurance contributions (currently 13.8%) and apprenticeship levy (0.5%). There are no pension savings to the employee or the Council as the scheme is pensionable.
- 2.2 The scheme rules are set by HMRC and until June 2019 the maximum value of the bike and accessories (helmets, lights, locks, etc.) was £1,000.
- 2.3 Since the revised guidance was issued in June 2019, it is possible to exceed the £1,000 limit provided the employer or the provider of the scheme gain authorisation from the Financial Conduct Authority (FCA). The Council's provider, Cycle Solutions Limited, are already registered with the FCA and can therefore act as Principal and can appoint the Council as an 'Introducer Appointed Representative' (IAR).
- 2.4 Cycle Solutions Limited, as Principal, must take responsibility for the Council's activities under the Cycle to Work scheme and therefore a written contract needs to be signed by both parties detailing the arrangements. Cycle Solutions must ensure that the Council complies with all FCA rules in relation to the Cycle agreements.
- 2.5 The main benefit of setting up this arrangement is that the Council can set its own maximum limit which would enable eligible employees to gain access to a wider choice of bikes. In particular this would open the opportunity for employees to consider having an electric bike which typically retail between £1,500 and £3,000 for a good quality machine.

### 3. RECOMMENDATIONS

- 3.1 Cabinet are asked to consider the contents of this report and agree the increase of the limit for the Cycle to Work salary sacrifice scheme from the current limit of £1,000 to £3,000.
- 3.2 Cabinet are also asked to agree that the Council be appointed as an 'Introducer Appointed Representative'.

### 4. REASONS FOR THE RECOMMENDATIONS

- 4.1 The recommendations are designed to encourage employees to make use of the Cycle to Work salary sacrifice scheme, with the inclusion of electric bikes, instead of cars / public transport, thus reducing the carbon emissions of staff traveling to and from work. There are also potential health benefits to employees who cycle to and from work which will support the Council's wellbeing goals.

### 5. THE REPORT

- 5.1 As stated in Section 2, the Cycle to Work salary sacrifice scheme has been in place within the Council since June 2010. The table below shows the number of bikes and the duration of the agreements over the last 5 years during which time 194 bikes and accessories have been ordered.

Year	12 months	18 months	Total
2016	29	11	40
2017	30	21	51
2018	19	16	35
2019	8	20	28
2020	16	24	40
<b>Totals</b>	<b>102</b>	<b>92</b>	<b>194</b>

There are currently 53 employees who are taking part in the Cycle to Work salary sacrifice scheme.

- 5.2 Employees take out the agreement for a 12 or 18 month period and have various options available to them at the end of the period. They can:
- Extend the hire agreement.
  - Return the bike and accessories.
  - Purchase the bike and accessories under a separate agreement.
- 5.3 Under the scheme, employees lease the bikes from the provider with deductions made through their salary which are exempt from PAYE income tax and employees' national insurance contributions. There are also savings to the Council of employer's national insurance contributions (currently 13.8%) and apprenticeship levy (0.5%). There are no pension savings to the employee or the Council as the scheme is pensionable. The estimated savings in Employer's NI for the Council for 2020 / 21 are £4,000.

- 5.4 The current upper limit of the scheme is £1,000, as per HMRC guidance pre June 2019, which allows employers to use the Financial Services and Markets Act 2000 exemption order. New guidance was issued by the Department of Transport in June 2019, which enables salary sacrifice schemes to exceed this limit provided it followed guidelines set out by the Financial Conduct Authority (FCA). One of these requirements is that the provider or the employing organisation must be registered with the FCA. Our provider, Cycle Solutions Limited, is already registered with the FCA and can therefore act as Principal and can appoint CCBC as an 'Introducer Appointed Representative'.
- 5.5 If approval is given to increase the limit to £3,000 and the Council are set up as an 'Introducer Appointed Representative' then all future agreements regardless of the amount will be subject to the new arrangements.
- 5.6 We have already received a number of enquiries from employees who are aware that it is now possible to get a bike in excess of the current £1,000 limit and are awaiting the outcome of this report before they place an order.
- 5.7 In order to qualify for the scheme, an employee's hourly rate must exceed the National Living Wage or National Minimum Wage **after** the deduction of the salary sacrifice payment.

The current minimum wages rates are:

Year	25 and over	21 to 24	18 to 20	Under 18
Rate from April 2019	£8.21	£7.70	£6.15	£4.35
Rate from April 2020	£8.72	£8.20	£6.45	£4.55

## 5.8 **Conclusion**

Increasing the upper limit of the Cycle to Work salary sacrifice scheme will hopefully encourage more employees to make use of the scheme, including electric bikes, which will support the reduction of carbon emissions of staff traveling to and from work and also support the Council's wellbeing goals with potential health benefits.

## 6. **ASSUMPTIONS**

- 6.1 No assumptions have been made within this report.

## 7. **LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The report links to all HR policies associated with employee wellbeing and equalities.
- 7.2 **Corporate Plan 2018-2023.**

The option for employees to lease electric vehicles supports the following Corporate Well-being Objectives, identified within the Council's Corporate Plan 2018-2023:

Objective 4 - Promote a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and minimises the adverse impacts on

the environment. Improving the energy efficiency of our vehicles to help promote an innovative, low carbon society that uses resources efficiently and proportionately and saves money. Reducing our greenhouse gas emissions locally (associated with transport) will help to mitigate the global impacts of climate change.

Objective 5 - Creating a county borough that supports a healthy lifestyle in accordance with the sustainable Development Principle within the Wellbeing of Future Generations (Wales) Act 2015. Electric bikes produce zero direct emissions, which specifically helps improve air quality in urban areas by reducing and removing air pollution from exhaust emissions from petrol and diesel vehicles.

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

8.1 This contents of the report contribute to the following Well-being Goals:

- A healthier Wales
- A globally responsible Wales

## **9. EQUALITIES IMPLICATIONS**

9.1 An Equality Impact Assessment has not been produced as this is an amendment to the current scheme.

## **10. FINANCIAL IMPLICATIONS**

10.1 The financial implications are included within the report.

## **11. PERSONNEL IMPLICATIONS**

11.1 The personnel implications are included within the report.

## **12. CONSULTATIONS**

12.1 All comments from consultees have been included in the report.

## **13. STATUTORY POWER**

13.1 Local Government Act 1972  
Local Government Pension Scheme Regulations 2013, as amended.  
Employment Rights Act 1996

Author: Lynne Donovan, Head of People Services

Consultees: Corporate Management Team  
Cllr Colin Gordon, Cabinet Member for Corporate Services  
Stephen Harris, Head of Financial Services & S151 Officer

Robert Tranter, Head of Legal Services & Monitoring Officer  
Sue Richards, Head of Education Planning & Strategy  
Liz Lucas, Head of Customer and Digital Services  
Richard Ballantine, HR Service Manager  
Andrew Southcombe, Finance Manager  
Simon Bushell, Legal Assistant  
Joanne Jones, Information Governance Manager and Data Protection Officer

Gadewir y dudalen hon yn wag yn fwriadol



## CABINET – 10TH FEBRUARY 2021

**SUBJECT: CAERPHILLY COUNTY BOROUGH COUNCIL – ANNUAL AUDIT SUMMARY 2020**

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

### 1. PURPOSE OF REPORT

1.1 To present Cabinet with the Audit Wales Caerphilly County Borough Council Annual Audit Summary 2020.

### 2. SUMMARY

2.1 Since 2009 the Wales Audit Office has issued an Annual Improvement Report (AIR). From 2020 the name of this report has changed to the Annual Audit Summary.

2.2 The Audit Wales report attached at Appendix 1 provides a summary of the audit work completed for Caerphilly County Borough Council since the last Annual Improvement Report, which was issued in July 2019.

2.3 The audit summary forms part of the Auditor General for Wales' duties.

### 3. RECOMMENDATIONS

3.1 Cabinet is asked to note the content of the Audit Wales report.

### 4. REASONS FOR THE RECOMMENDATIONS

4.1 To ensure that Cabinet is aware of the work undertaken by Audit Wales and the key findings.

### 5. THE REPORT

5.1 The Caerphilly County Borough Council Annual Audit Summary 2020 attached at Appendix 1 provides a summary of the audit work completed since the last Annual Improvement Report (AIR), which was issued in July 2019.

5.2 To meet the Auditor General's duties the following work is undertaken each year: -

### **Audit of Accounts**

- 5.3 Each year the Auditor General audits the Council's financial statements to make sure that public money is being properly accounted for.

### **Value for money**

- 5.4 The Council has to put in place arrangements to get value for money for the resources it uses, and the Auditor General has to be satisfied that it has done this.

### **Continuous improvement**

- 5.5 The Council also has to put in place arrangements to make continuous improvements, including related plans and reports, and the Auditor General has to assess whether the Council is likely to (or has) met these requirements.

### **Sustainable development principle**

- 5.6 Public bodies need to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives. The Auditor General must assess the extent to which they are doing this.
- 5.7 To meet the Auditor General's duties Audit Wales completes specific projects, but also relies on other audit work, and the work of regulators such as Care Inspectorate Wales and Estyn.
- 5.8 The findings and conclusions arising from the audit work undertaken are detailed in the attached report and a representative from Audit Wales will attend the Cabinet meeting to deal with any questions arising.
- 5.9 In planning its work for 2020/21 Audit Wales has considered the key challenges and opportunities facing the Council. The most significant risk and issue facing Councils and the wider public sector during 2020/21 is the COVID-19 pandemic and Audit Wales has shaped its work to provide assurance and challenge in a way which helps to support the Council through this period. The work for 2020/21 includes: -
- Recovery planning in response to the COVID-19 pandemic;
  - COVID-learning project – helping to identify and share learning from the way in which public bodies have responded to the pandemic;
  - Assurance and risk assessment; and
  - A review of the Council's financial sustainability

### **Conclusion**

- 5.10 The Audit Wales report attached at Appendix 1 provides a summary of the audit work completed for Caerphilly County Borough Council since the last Annual Improvement Report (AIR), which was issued in July 2019.
- 5.11 The findings and conclusions arising from the audit work undertaken are detailed in the report and a representative from Audit Wales will attend the Cabinet meeting to deal with any questions arising.



## **6. ASSUMPTIONS**

6.1 There are no assumptions in this report.

## **7. LINKS TO RELEVANT COUNCIL POLICIES**

7.1 The audit work undertaken by Audit Wales has direct links to the Corporate Plan 2018-2023 and the achievement of the Council's Well-being Objectives.

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

8.1 Prudent financial management and the effective use of resources contributes to 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.

## **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 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 There are no direct financial implications arising from this report.

## **11. PERSONNEL IMPLICATIONS**

11.1 There are no personnel implications arising from this report.

## **12. CONSULTATIONS**

12.1 The Caerphilly County Borough Council – Annual Audit Summary 2020 (Appendix1) was presented to the Audit Committee on the 26<sup>th</sup> January 2021 for consideration prior to its presentation to Cabinet.

12.2 A Member noted that as at the 31<sup>st</sup> March 2020 the Council had £100.5 million of usable financial reserves, which is equivalent to 27% of the Council's annual spend on services and the joint-third-highest percentage of the 22 unitary Councils in Wales.

- 12.3 Officers explained that a report is presented to the Policy & Resources Scrutiny Committee on an annual basis providing details of the usable reserves held by the Council and that the majority are earmarked for specific purposes. Members were also reminded that proposals are being developed to set-aside circa £30m of the usable reserves to support the council's 'Place Shaping Plan'. Furthermore, to put the position into context Members were pointed to the fact that during 2019-20 Caerphilly CBC did have the fifth highest spend of the 22 unitary Council's in Wales.
- 12.4 Clarification was sought from Members as to how national reports are being shared and how they should be taken forward. Officers explained that if there are reports that are of particular interest to the Audit Committee, they can be added to the forward work programme for a more detailed discussion.
- 12.5 A Member asked for further details on the input of Audit Wales in developing a more commercial approach in the Council. Officers explained that Audit Wales did discuss Caerphilly CBC's emerging approach to commercialisation as part of their fieldwork and clarified that the national report is specifically targeted at helping elected members and senior officers to examine and judge the potential impact on their organisations when considering whether to undertake commercialisation.
- 12.6 Having considered the report the Audit Committee unanimously resolved that the Annual Audit Summary be noted.
- 12.7 There have been no responses from other consultees that need to be included in this report.

### **13. STATUTORY POWER**

- 13.1 Local Government Act 1972
- 13.2 Local Government (Wales) Measure 2009

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Consultees: Audit Committee  
Corporate Management Team (CMT)  
Susan Richards – Head of Education Planning & Strategy  
(Email: [richace@caerphilly.gov.uk](mailto:richace@caerphilly.gov.uk))  
Rob Tranter – Head of Legal Services & Monitoring Officer  
(Email: [trantrj@caerphilly.gov.uk](mailto:trantrj@caerphilly.gov.uk))  
Cllr E. Stenner – Cabinet Member for Finance, Performance & Customer Service  
(Email: [stenne@caerphilly.gov.uk](mailto:stenne@caerphilly.gov.uk))

Appendices:

Appendix 1 Caerphilly County Borough Council – Annual Audit Summary 2020

## Caerphilly County Borough Council

### Annual audit summary 2020

This is our audit summary for Caerphilly County Borough Council. It shows the work completed since the last Annual Improvement Report, which was issued in July 2019. Our audit summary forms part of the Auditor General for Wales' duties.



More information about these duties can be found on our [website](#).

## About the Council

### Some of the services the Council provides



#### Key facts

The Council is made up of 73 councillors who represent the following political parties:

- Labour 49
- Plaid Cymru 18
- Independent 6

The Council spent £371 million on providing services during 2019-20, the fifth-highest spend of the 22 unitary councils in Wales.

As at 31 March 2020 the Council had £100.5 million of usable financial reserves. This is equivalent to 27% of the Council's annual spend on services, the joint-third-highest percentage of the 22 unitary councils in Wales.

## Key facts

Caerphilly County Borough Council has 11 (10%) of its 110 areas deemed the most deprived 10% of areas in Wales, this is the ninth highest of the 22 unitary councils in Wales<sup>1</sup>.

Caerphilly County Borough Council's population is projected to increase by 1.5% between 2020 and 2040 from 181,585 to 184,340, including an 8.1% decrease in the number of children, a 3.5% decrease in the number of the working-age population and a 26.4% increase in the number of people aged 65 and over<sup>2</sup>.

## The Auditor General's duties

### We complete work each year to meet the following duties

- **Audit of Accounts**

Each year the Auditor General audits the Council's financial statements to make sure that public money is being properly accounted for.

- **Value for money**

The Council has to put in place arrangements to get value for money for the resources it uses, and the Auditor General has to be satisfied that it has done this.

- **Continuous improvement**

The Council also has to put in place arrangements to make continuous improvements, including related plans and reports, and the Auditor General has to assess whether the Council is likely to (or has) met these requirements.

- **Sustainable development principle**

Public bodies need to comply with the sustainable development principle when setting and taking steps to meet their well-being objectives. The Auditor General must assess the extent to which they are doing this.

<sup>1</sup> An area in this context is defined as a 'Lower Super Output Area'. Source: Stats Wales

<sup>2</sup> Source: Stats Wales



Since the Spring of 2020, the ongoing pandemic has affected our audit work. We recognise the huge strain on public services and have reshaped our work programme, and found new ways of working to reduce its impact on public bodies' response to COVID-19, while still meeting our statutory duties.



**To meet the Auditor General's duties we complete specific projects, but we also rely on other audit work, and the work of regulators such as Care Inspectorate Wales and Estyn (the education inspectorate). We take the findings of our audit work into account when assessing whether the Council has put in place arrangements to secure value for money. Our findings and conclusions are summarised below.**

## What we found

### Audit of Caerphilly County Borough Council's 2019-20 Accounts

Each year we audit the Council's financial statements.

#### For 2019-20:

- The Auditor General gave an unqualified true and fair opinion on the Council's financial statements on 26 November 2020, four days ahead of the statutory deadline.
- The Council's Annual Governance Statement and Narrative Report were prepared in line with the CIPFA Code and relevant guidance. They were also consistent with the financial statements prepared by the Council and with our knowledge of the Council.
- We agreed that the original 15 June 2020 date for the receipt of the draft accounts could not be met. Through our discussions with officers, we agreed a revised timetable for receipt of the draft accounts and audit, in order to enable officers to rightly prioritise their response to the pandemic. This was agreed to be 14 July 2020. We did not receive the draft accounts until 7 August 2020.
- A number of changes were made to the Council's financial statements arising from our audit work, which were reported to the Audit Committee in our Audit of Financial Statements Report in November 2020.
- In addition to the Auditor General's responsibilities for auditing the Council's financial statements, he also has responsibility for the certification of a number of grant claims and returns. Our work to date has not identified any significant issues.
- The Auditor General issued the certificate confirming that the audit of accounts for 2019-20 has been completed.
- Key facts and figures from the 2019-20 financial statements can be viewed [here](#).

## Well-being of Future Generations Examination – Social care (November 2019)

The examination that we undertook in 2019-20 considered the extent to which the Council has acted in accordance with the sustainable development principle when taking steps to prevent unnecessary admissions to hospital and facilitating timely discharges. We concluded that:

**There are examples that show how the Council has applied the sustainable development principle in practice, however it will need to consider how it can effectively meet anticipated challenges over the longer term.** The report can be viewed [here](#).

## Continuous Improvement

The Auditor General certified that the Council has met its legal duties for improvement planning and reporting, and believes that it is likely to meet the requirements of the Local Government (Wales) Measure 2009 during 2020-21.

## Financial Sustainability (March 2020)

During 2019-20 we examined the financial sustainability of each council in Wales. For Caerphilly County Borough Council, we concluded that **the Council has a strong financial position, with an increasingly high level of usable reserves, a relatively stable level of borrowing, and significant budget underspends in recent years.** The full report can be viewed [here](#).

## National Fraud Initiative

In October 2020, the Auditor General published his report on the findings of the latest National Fraud Initiative (NFI) data-matching exercise in Wales. The exercise helped public bodies in Wales, including the 22 unitary authorities, identify fraud and overpayments amounting to £8 million. The report can be accessed on our website [here](#). NFI continues to be developed and in the forthcoming NFI exercise (NFI 2020-2022), local authorities will have access to matches designed to help identify potential fraudulent applications for COVID-19 business support grants.

## Environmental health follow-up review (November 2019)

During 2019-20 we examined the Council's progress in addressing our proposals for improvement issued in 2014 relating to environmental health services. We concluded that: **The Council has acted upon the recommendations raised in 2014. The Council should use its strong financial position to explore more innovative ways in which it can ensure the long-term financial and operational sustainability of environmental health services, whilst contributing to the Council's wider strategic objectives.** The report can be viewed [here](#).

## Leisure follow-up review (April 2020)

During 2019-20 we examined the Council's progress in addressing our proposal for improvement issued in 2016 relating to leisure services. We concluded that: **The Council has taken effective action to develop and agree a holistic vision and strategy for its sports**

and leisure services, but now needs to take some further important steps to deliver on its strategic ambitions. The report can be viewed [here](#).

## **Other Inspectorates**

We also took into account the reports of Care Inspectorate Wales (CIW) and Estyn as well as any subsequent actions taken by the Council in response. Care Inspectorate Wales published its Local Authority Performance Review in August 2020. The full report can be found [here](#).

## **Local Government Studies**

As well as local work at each council, each year we also carry out studies across the local government sector to make recommendations for improving value for money. Since the last annual improvement report we have published the following reports:

### **The ‘Front Door’ to Social Care (September 2019)**

We considered the effectiveness of the new ‘front door’ to social care, looking specifically at services for adults. We found that whilst councils are preventing social-care demand, information, advice and assistance are not consistently effective. The full report can be viewed [here](#).

### **Review of Public Services Boards (October 2019)**

We inspected how Public Services Boards are operating; looking at their membership, terms of reference, frequency and focus of meetings, alignment with other partnerships, resources and scrutiny arrangements. We concluded that Public Services Boards are unlikely to realise their potential unless they are given freedom to work more flexibly and think and act differently. The full report can be viewed [here](#).

### **Progress in implementing the Violence Against Women, Domestic Abuse and Sexual Violence Act (November 2019)**

We examined how the new duties and responsibilities of the Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act are being rolled out and delivered. We found that victims and survivors of domestic abuse and sexual violence are often let down by an inconsistent, complex and fragmented system. The full report can be viewed [here](#).

### **Rough Sleeping in Wales – Everyone’s Problem; No One’s Responsibility (July 2020)**

We looked at how well public services are responding to the issue of rough sleeping. Overall, we found that responding to COVID-19 is an opportunity for public bodies to start addressing long standing weaknesses in partnership working which has stopped them from tackling rough sleeping in the past. The full report can be viewed [here](#).

## **Better Law Making (September 2020)**

This report draws on five reports published between 2019 and today looking at how local authorities are responding to the challenge of implementing new legislation. Implementation is a complex task which needs to be fully thought through by the Welsh Government and the Senedd whenever they bring forward and make any new legislation. The paper highlights the difficulties faced by local authorities and their public sector partners in implementing their new responsibilities. The full report can be viewed [here](#).

## **Commercialisation in Local Government (October 2020)**

Councils have conducted commercial activity for a long time, and many councils are exploring additional commercial opportunities to mitigate against the financial pressures they face. Our report is specifically targeted at helping elected members and senior officers to examine and judge the potential impact on their organisations when considering whether to undertake commercialisation. It will also help councils to demonstrate how well they are discharging their value for money responsibilities. The full report can be viewed [here](#).

## **Planned work for 2020-21**

We also looked at the key challenges and opportunities facing the Council. These risks could have an effect on the Council's ability to meet its legal obligations in relation to the sustainable development principle, the use of its resources and continuous improvement.

The most significant risk and issue facing councils and the wider public sector during 2020-21 is the COVID-19 pandemic. We have shaped our work to provide assurance and challenge in a way which helps to support the Council through this period. Our work for 2020-21 includes:

- Recovery planning in response to the COVID-19 pandemic
- COVID-learning project – helping to identify and share learning from the way in which public bodies have responded to the pandemic
- Assurance and risk assessment; and
- A review of the Council's financial sustainability



The Auditor General is independent of government, and is appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the Senedd.

The Auditor General audits local government bodies in Wales, including unitary authorities, police, probation, fire and rescue authorities, national parks and community councils. He also conducts local government value for money studies and assesses compliance with the requirements of the Local Government (Wales) Measure 2009.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Senedd Commission and National Health Service bodies in Wales.

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities with their own legal functions, as described above. Audit Wales is not a legal entity.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

This document is also available in Welsh.

Gadewir y dudalen hon yn wag yn fwriadol



## CABINET – 10TH FEBRUARY 2021

**SUBJECT: HOUSING REVENUE ACCOUNT CHARGES – 2021/2022**

**REPORT BY: CORPORATE DIRECTOR OF SOCIAL SERVICES & HOUSING**

### 1. PURPOSE OF REPORT

For Cabinet Members to consider and make a decision on the increased Council Housing rent charges proposed in this report. The charges predominantly focus on council house rents, but also include garages, and are intended to be effective for the Housing Revenue Account (HRA) for the 2021/2022 financial year. This report was presented to Housing & Regeneration Scrutiny on 26<sup>th</sup> January 2021 and its comments and recommendations have been included within the report.

### 2. SUMMARY

- 2.1 Members will be aware that the preparation of the Housing Revenue Account (HRA) budget is quite separate to the work involved in setting the General Fund Budget and Council Tax. The HRA is funded by rental income received from council tenants, rather than the Council Taxpayer. Whilst there is a clear separation of these funds, the majority of the proportion of council tenants rent is funded from financial support in the form of Housing Benefit or Universal Credit (72%) which is derived from the taxpayers' purse, therefore value for money must always be sought. We charge our council tenants rent over a 48-week basis but The Welsh Government (WG) base their rents on a 52-week basis so this report shows the 52-week equivalent.
- 2.2 The Affordable Housing Supply Review was published in April 2019. The purpose of the review was to examine current arrangements supporting the development of affordable housing, and to make recommendations for changes designed to increase supply and improve delivery from the resources available. One of the tasks included making a recommendation on how a sustainable rent policy can help determine long term affordability for tenants and the viability of existing and new housing developments.
- 2.3 The key recommendations from this review in correlation to the rent policy was
  1. *The Welsh Government should implement a five-year rent policy from 2020-21*
  2. *There should be a focus on landlords considering Value for Money alongside affordability. An explicit annual assessment on cost efficiencies should be part of the rationale for justifying any rent increase*
- 2.4 In reaction to this review, The Minister for Housing and Local Government has stated “*There must be a clear balance between the interest of landlords and residents. Affordability for tenants must take into account the whole cost of living in a property and Landlords are expected to consider these costs when setting rents each year. Affordability is an issue I take very seriously, and I am mindful of not placing excessive financial burdens upon tenants*”.

- 2.5 Having considered the review, along with wider factors such as the pressures arising from growing levels of homelessness, the need to decarbonise our existing stock, to maintain the Welsh Housing Quality Standard and to build new high quality homes that are near zero carbon, The Minister confirmed the following for the 2020/21 Rent Policy:-
1. An annual uplift of up to CPI+1% each year for 5 years from 2020-21 to 2024-25 using the level of CPI from the previous September each year.
  2. CPI+1% will be the maximum increase allowable in any one year but this must not be regarded as an automatic uplift. Landlords decisions on rent should take into account the affordability of rents for tenants.
  3. The level of rents for individual tenants can be reduced or frozen or can rise by up to an additional £2 over and above CPI+1%, on condition that total average rental income collected by the landlord increases by no more than CPI+1%.
  4. As an intrinsic part of the 5-year policy, landlords will be expected to set a rent and service charge policy which ensures that social housing remains affordable for current and future tenants. As part of their annual decision they should make an assessment of costs efficiencies, value for money and affordability for tenants.
- 2.6 In determining the rent increase for 2021/2022, The Minister has confirmed the above criteria will remain. However, in light of the pandemic, the lack of data collection whilst government resources have been re-prioritised, has meant no robust data available to generate the Target Rent Bands for the year ahead, and The Minister has therefore suspended the role of Target Rent Bands for this year. Members will recall that the original policy set a Target Rent Band for each Authority which allows Authorities flexibility to increase the rent to ensure the level is within the Target Rent Band envelope, conversely, if the average weekly rent is above the Target Rent Band, average rents will increase at a lower rate, to bring the rent back within the Target Rent Band envelope.
- 2.7 The Minister is also keen to progress with a number of new initiatives as part of the wider rental agreement which include
- Strengthen approaches designed to minimise all evictions and deliver on a new agreement not to evict into homelessness.
  - Undertake a standardised tenant satisfaction survey for publication on a central website to assist tenants in scrutinising and comparing landlord performance. First survey results to be available for publication by April 2021. However, this will now be based on existing satisfaction data, with officials discussing a revised set of core questions for survey results to be published in April 2022.
  - Build on existing commitments to deliver high quality homes with BHS (Beautiful Homes and Spaces) 2021 space standards applying across tenure, to attract WG funding, phased from 2021
  - Work towards energy efficiency standards of no less than EPC A (Energy Performance Certificate) on new build sites which attract any WG funding from April 2021.
- 2.8 The previous September's CPI inflation figure was 0.5%. The policy therefore allows a maximum of 1.5% increase on our total rental income.
- 2.9 The Business Plan has assumed a rent increase of 2.5% for 2021/22 to 2024/25.
- 2.10 Members will recall there was limited time to consider a full affordability options appraisal for setting the rent for 2020/21, and the intention was to conduct a data gathering exercise later in

2020, in advance of the 2021/22 rent setting cycle.

- 2.11 A working group was set up to discuss an appropriate way forward, including a questionnaire to tenants specifically on rent affordability. It soon became apparent that there were many complexities to address if the affordability appraisal was to evidence meaningful outcomes. What is considered affordable to one tenant will not be affordable to another. The lack of information regarding tenant's income and outgoings (e.g. utility bills, wages etc), and their individual circumstances and expectations means that affordability becomes difficult to measure.
- 2.12 Unfortunately, due to the Covid pandemic, the working group could not progress to the extent desired, as resources were prioritised elsewhere. However, some progress has been made, in the hope it is an adequate base on which to develop further. An affordability survey to tenants was agreed and posted on social media and the Councils website on 16<sup>th</sup> November, with a 30-day deadline. Tenants who have registered to receive EGov updates also received the survey directly, and officers made our engaged tenants aware of the survey in several communications with some surveys being carried out over the phone. The responses received have been considered within the proposals of this report.
- 2.13 In addition to the affordability survey, as a landlord, we are obliged to survey our tenants under a standard STAR survey which is a consistent framework for social landlords to collect, report and measure on tenant's satisfaction. The survey consists of seven key questions and one of these key questions include a direct reference to value for money. 155 respondents completed this questionnaire.

### **3. RECOMMENDATIONS**

- 3.1 Members of Cabinet are requested to consider and make a decision on the following recommendations

Officers recommend to Cabinet the level of increase per property from April 2021 based on the options explained in the report, which are:-

- (i) 1.5% (CPI plus 1%) – (£92.02/52 week – additional £1.36/wk) the maximum allowed under the rent policy which will set our rent just within the low end of the previous year's policy target rent band but, will reduce our income by £0.5m to that assumed within our business plan, compounded year on year. This would be the preferred officer recommendation.
- (ii) 1% – (£91.57/52 week – additional 91p/wk) this reduces our income by £0.8m to that assumed within our business plan. Higher increases may need to be considered in the future to get back within the policy target rent band, on the assumption this is re-introduced and uplifted by inflation.
- (iii) 0% (No increase) – (£90.66/52 week) would reduce our income by £1.2m to that assumed within our business plan. Higher increases may need to be considered in the future to get back within the policy target rent band, on the assumption this is re-introduced and uplifted by inflation.

- 3.2 The Housing and Regeneration Scrutiny Committee considered the options explained in the report for the level of increase per property from April 2021 and unanimously recommend to Cabinet that:

- (i) 1.5% (CPI plus 1%) – (£92.02/52 week – additional £1.36/wk) the maximum allowed under the rent policy which will set our rent just within the low end of the previous year's policy target rent band but, will reduce our income by £0.5m to that assumed within our business plan, compounded year on year.

#### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 Inflationary increases on providing all aspects of the housing service are experienced annually, however as the HRA cannot legitimately set a deficit budget, the loss of additional income will result in reduced resources being available to effectively manage and maintain the stock, or result in increased levels of borrowing.
- 4.2 Housing Benefit/Universal Credit will cover the increased costs for the rent charge in this report for 72% of our tenants up to the Housing Benefit limitation rate (yet to be confirmed).
- 4.3 If charges are not increased annually it has a detrimental effect on subsequent years as higher increases are then needed to recover the shortfalls from previous years.
- 4.4 The Council's Business Plan relies on inflationary increases to remain viable and cover increasing costs associated with the delivery of the service.
- 4.5 Additional resource is necessary to be able to meet the demands from Welsh Government on maintaining the WHQS, the provision of new affordable housing, decarbonisation of the existing stock and increasing support for tenants in order to sustain tenancies and reduce homelessness.
- 4.6 The impact of Covid has significantly impacted on the HRA, in particular rent arrears. In addition, costs have remained the same with a considerable reduction in productivity, meaning that our budget has been delivering less. This has resulted in a backlog of work which will increase costs in 2021/22 as properties on the WHQS programme will take longer to complete
- 4.7 The officer preferred recommendation of 1.5% will be the lowest rent increase set by the authority for a number of years. The average increase over the last 7 years is 3.33%.

#### **5. THE REPORT**

##### **5.1 Rent Increase**

- 5.1.1 For a number of years the WG have effectively determined the level of annual rent increases, and these increases have been linked with the Housing Revenue Account Subsidy (HRAS) calculations, thus restricting an Authority from completely controlling its rental income. Members will be aware of the buy-out of the HRAS system which introduced self-financing from April 2015.
- 5.1.2 The standard uplift policy for Local Authorities was based on the previous September Retail Price Index (RPI) plus a 2% real increase in support of rent convergence. The Minister for Housing and Regeneration revised the rent uplift policy as part of the new Policy for Social Housing Rents in April 2015, which was accepted by Members in the 2015/16 HRA charges report. The policy set a target rent band for each Authority and if the average weekly rent is below the target rent, the Authority will have to increase average rents, and if the average weekly rent is above the target rent, average rents will increase at a lower rate, to bring the rent back within the target envelope.
- 5.1.3 The uplift on the revised rent policy was fixed for five years up to 2018/19 and used the previous September Consumer Price Index (CPI) inflation figure (as opposed to the RPI inflation figure) and also applied a 1.5% real increase to the average local authority rent. There was also an option to add up to £2 per week if social landlords needed to increase their rent to keep in line with their target rent band, or if rents were being restructured and if their local rent policy was being revised.

- 5.1.4 2018/19 was the final year of the initial five-year agreement. The Minister considered the position for 2019/20 and agreed that the increase should be based on CPI only. The discretion to apply “up to £2 per week” was removed for those social landlords whose average weekly rent was within or above their Target Rent Band. This decision applied for one year only (2019/20) while Welsh Government awaited the outcome of the Affordable Housing Supply Review. As we were below the target rent band, we could apply the “up to £2” discretion which resulted in a 3% increase in 2019/20.
- 5.1.5 Under the current rent policy a target rent band for each Authority is set by WG so there is still some degree of control retained by WG however, all of the rental income will be retained by the Authority and used to fund expenditure, service debt and create borrowing headroom to support the delivery of WHQS and future investment.
- 5.1.6 As a result of the housing benefit limitation scheme, rent increases above DWP rent limits do not produce extra income from the benefits system, as any shortfall would be required to be met by the tenant. This would therefore be an added financial burden to some of our most vulnerable tenants. At this stage however, as in previous years, details regarding the DWP limit under the current rent policy are yet to be confirmed, but as all the recommendations contained within this report are compliant with the WG rent policy, it is assumed that the proposed increases will be within the DWP rent limits. Approximately 72% of tenants are in receipt of financial support in the form of Housing Benefit or Universal Credit.
- 5.1.7 The 2020/2021 policy target rent band for CCBC was
- Low end           £90.41       per week
  - Mid-point       £95.17       per week
  - High end         £99.92       per week

The rent increase applied in 2020/21 of 2.7% meant that the average rent was £90.66 which was just within the low end of the target rent band.

- 5.1.8 However the target rent band for 2021/2022 has been suspended as a consequence of the Covid pandemic, so we are unable to measure the impact of any increase proposal against this. We can, however, evidence the impact that a lower than required increase can have when compared to the Housing Business Plan.
- 5.1.9 CCBC’s average rent debit, net of voids for 2020/21 is £90.66 (52 week basis) which met the minimum rent band for that year. Applying the maximum of 1.5% increase means our average rent would be £92.02. Even with the suspension of the target rent band, this still places the rent within the low end of the previous year’s banding. The 2020/21 Housing Business Plan however assumed a 2.5% rent increase for 2021/22 which was on the assumption that the rent policy would be CPI +1%, and that CPI would be 2%, and allowing for a prudent 0.5% reduction. These assumptions were pre-Covid and were accepted by Welsh Government when the Business Plan was validated.
- 5.1.10 Initially, WG have stated in their policy that “*The rent policy allows you to apply the inflation plus £2 (per week) if you are aiming to move to a higher point within the Target Rent Band to meet your business plan commitments...*” This was removed for 2019/20 and was only applicable if Social Housing Landlords were below the rent envelope. This has subsequently been changed under the 2020/21 policy, and the “plus £2” can now only be applied on condition that the total rental income collected by the landlord is no more than CPI +1% (1.5%). This provision is designed to enable social landlords to restructure rents where appropriate.
- 5.1.11 The latest business plan submitted to WG in March 2020 included a rent increase of 2.5% for 2020/21 (assuming CPI would be 2%) and this resulted in a total £45m borrowing requirement in order to meet the WHQS by 2020. Meeting the WHQS standard by December 2020 was at

that time a statutory requirement.

- 5.1.12 As the pandemic hit and lockdown was imposed in late March 2020, this inevitably altered our course in completing the WHQS programme. Only essential work was carried out during the first few months of lockdown while the majority of the programme was on hold. It is worth noting that the WHQS programme was on target to be completed by June 2020 had the pandemic not occurred. Welsh Government have since extended this target to December 2021 as a result of the pandemic, and this will be factored into the next housing Business Plan due to be submitted in March 2021.
- 5.1.13 Council agreed on the 26<sup>th</sup> February 2020 to a £75m borrowing level in order to complete the WHQS programme and progress with new build. This was estimated to be in the region of £45m for WHQS and £30m for new build. In the light of the pandemic it has become clear that progress of the WHQS programme will be inhibited due to social distancing regulations, tenant refusals, and potential sickness of the workforce, contractors or tenants. Work has progressed internally within tenants' homes, but it is now done on an elemental basis as opposed to all elements completed at the same time. This will delay progress and be more costly to operate, a factor that needs to be considered in the next Business Plan.
- 5.1.14 Furthermore, the pandemic has resulted in additional costs to the HRA. Early projections predict this to be in the region of £1.6m which includes £515k increase in arrears, £600k in operatives lost time, and over £300k in void costs. Again, this is another factor that needs to be considered in the next Business Plan. The arrears position in particular will be a significant factor in determining the viability of the HRA.
- 5.1.15 A rent increase of less than 2.5% will mean less income to deliver housing services which will obviously result in a review of the services and the way they are currently delivered, the extent of work to be undertaken, alternative options for increasing income or an increase in borrowing. However, we are restricted under the current rent policy and cannot increase rent by more than 1.5%. This would increase the average weekly rent by £1.36.
- 5.1.16 A smaller increase of 1% for 2021/22 would increase the average weekly rent by £91p to £91.57/wk. This would also result in reduced income of some £800k to that assumed within our business plan to ensure the WHQS programme is financed and maintained. Again, to be prudent we should also reduce the forthcoming years to reflect the pattern of reducing CPI. This in itself does not hinder the WHQS programme any further, as this is due to be completed in the 2021/22 financial year, but members must consider the pressure Local Housing Authorities are facing from Welsh Government on increasing housing supply and ensuring we meet the decarbonisation agenda, both of which require significant investment. The report to The Housing and Regeneration Scrutiny committee on 26<sup>th</sup> November 2019 outlined the need for £14m additional borrowing to kick start the new build programme with the aim to deliver 400 affordable homes between 2020 and 2025. This directly links with the Councils commitment contained within the Corporate Plan 2018-2023 and Wellbeing Objective 3 which aims to address the supply, condition and sustainability of homes throughout the county borough. The £14m was on the assumption of a 3% rental increase over the next 5 years.
- 5.1.17 A nil increase for 2021/22 would mean the rent would remain at £90.66 but this would require considerable future rent increases to get back into the target rent band envelope range if this is re-introduced. This would also result in reduced income of £1.2m to that assumed within our business plan. Again, members must consider the ongoing effect of this reduced rent to address the significant investment required as explained above.
- 5.1.18 Generally, the DWP increases the Housing Benefit Subsidy Limit within similar lines to the rent policy guidance, meaning for the majority of our tenants, the 1.5% increase would be covered.
- 5.1.19 Additional borrowing as a consequence of income shortfalls must be affordable under the



Prudential Code and also means an increase in debt and interest charges which takes resources away from the HRA to manage and maintain our housing stock and support our tenants.

- 5.1.20 In addition, affordability for tenants is now a factor that has to be considered as part of setting any rent increases. This could involve engaging with tenants to capture relevant data and establishing a suitable model that would evidence affordability and a system for accurately recording such information. Unfortunately, due to restrictions from the pandemic, this was not progressed fully in 2020. However, a tenant's affordability survey was sent out on the 16<sup>th</sup> November 2020.
- 5.1.21 There were 240 responses to the survey. At least 2200 people were reached on social media and 6036 residents, who had previously registered, received the EGov bulletin. No data is available for any subsequent web page viewings. Of these responses 134 tenants confirmed they were happy for us to contact them in the future to discuss their responses.
- 5.1.22 45% of the tenants were represented from the East of the Borough, 26% from the South and 29% from the North. 89% of the tenants were General Needs, with the remaining 11% from our sheltered schemes.
- 5.1.23 The majority of responses were from tenants in a 3-bed house, with the main source of income being from full time employment, closely followed by pension.
- 5.1.24 51% of the respondents received some form of benefit support towards paying their rent. 49% of respondents received no support.
- 5.1.25 77% of the respondents said their main source of income had not been affected by the Coronavirus pandemic. Of the 23% who had been affected, 49% said they had a lot less income, and 49% said they had slightly less income, with 2% having slightly more income. Responses to why their income had been affected included "I was made redundant due to the pandemic", "My money is going more on food shopping, gas & electric since lockdown even more than normal" and "being furloughed".
- 5.1.26 56% of tenants think our rents are fair and affordable and 44% did not. Mixed responses vary from "it's a lot cheaper than private rent", "Because I have housing benefit to help" "it's a fair price for the size of the property and the quick turnaround time when a repair is needed", to "I receive £1000 Universal Credit and rent is half of that", "rent is not reflected with the wages in the area", and "Expensive for 1 adult to pay".
- 5.1.27 52% agreed that Caerphilly Homes should take into account the average household income when setting rent, with the top 3 costs to consider being Energy, Council Tax, and General Living Expenses. 28% agreed with charging a higher rent for a more energy efficient home.
- 5.1.28 60% of tenants are very or fairly satisfied that their rent provides value for money. "I think Caerphilly Council do a great job in taking care of repairs", "Always had a good service", followed by "Response repairs are very slow... ", and "My home is draughty, there is a need for an upstairs bathroom, and more secure garden".
- 5.1.29 The survey overall gave us a mixed response, and there are clearly some responses that need to be followed up, but it does suggest a higher proportion of our tenants agree that their rent is affordable and offers value for money
- 5.1.30 In addition to the survey. We are able to measure certain indicators against an All Wales Average to ascertain from a statistical point of view, if rents appear affordable within the Caerphilly Borough. Due to the lack of resources explained in 2.6 above, WG have not yet published 2020/21 data, so we have used the previous year as a comparator.
- 5.1.31 The average social rent for Caerphilly CBC in 2019/20 is £88.27/wk, which is nearly 4% lower

than the All Wales Average for Local Authorities of £91.65/wk. The All Wales Average for Registered Social Landlords is £92.50/wk. Caerphilly CBC is ranked the 3<sup>rd</sup> lowest Local Authority in terms of its weekly rent.

- 5.1.32 Private rents in Caerphilly CBC for 2019/20 is £105.80/wk, some 6.4% lower than the All Wales Average at £113.00/wk.
- 5.1.33 Caerphilly CBC ranked 5<sup>th</sup> highest out of the 22 Local Authorities in terms of workplace earnings at £384.47, which is some 3.5% higher than the All Wales Average of £371.63/wk.
- 5.1.34 These statistics together with the tenant's survey suggest that the rent is affordable and provides value for money. As noted earlier in this report, officers will develop this initial survey further and record relevant indicators to track our position.
- 5.1.35 Furthermore, results of the 2020 STAR survey to tenants, on their satisfaction of the housing service, confirmed 87% were very or fairly satisfied with the service provided by Caerphilly Homes, and 87% were also very or fairly satisfied that their rent provides value for money

## **5.2 Garage Charges**

- 5.2.1 The garage rationalisation and refurbishment programme, linked to the WHQS programme has led to a reduction in our garage stock and but has resulted in improvements to our remaining stock .This work, had a significant impact on void levels as the blocks of garages had to be fully vacated prior to commencement of works on each site. On completions of works to each block, former garage tenants and former leaseholders of garage plots have been offered new tenancies of the newly built or refurbished garages, prior to new tenants being sought for the remainder from existing waiting lists or through marketing. In addition, a number of garages have been demolished due to unsuitability and lack of demand. However, due to Covid-19 the void position on garages has not yet improved due to resources being deployed in more critical areas.
- 5.2.2 The rent on garages has not been increased for 3 years while the rationalisation programme was being undertaken. Currently our garage charge is £8.11 per week and is below the average of other Local Authorities charges, furthermore 75% of garage tenants are not council tenants. After investing considerably into the garage stock, it is proposed that an increase should now be implemented. The business plan assumed a 2.5% increase, but officers recommend an increase in line with the rental policy of 1.5%. to £8.23 per week. For non-council tenants the weekly charge will be £9.88 to include VAT.

### Tenants in receipt of benefit

- 5.2.3 Garage rents are not eligible for housing benefit and the majority (75%) of garage tenants are not actually council house tenants.

### Financial impact

- 5.2.4 The Business Plan has included a 2.5% increase on garage rental income. Not increasing the income will mean a loss of approximately £5k in the Business Plan in 2021/22. Although this does not appear significant, there has also been a compounding loss of approx. £30k from the previous 3 years where increases were not applied.

## **6. ASSUMPTIONS**

- 6.1 Assumptions are prevalent within the Housing Business Plan and are necessary to create a 30-year projection as requested by Welsh Government. Assumptions are included on key drivers such as (i) Interest rates (ii) Inflation (iii) Rental Increases (iv) Staffing levels (v) stock movement

(vi) capital programme expenditure (vi) level of rent arrears, and (vii) level of voids and are taken from projections, local knowledge and Welsh Government guidance.

## **7. LINKS TO STRATEGY**

- 7.1 The recommendations within this report provide the council with additional income that will be used to supplement existing funding arrangements to provide management, repair and improvement of the housing stock. This funding is used to maximize the resources available to assist in meeting and maintaining the WHQS. The rent increase is applied equally to all tenants. The report therefore links to the following strategic objectives:
- The Caerphilly We Want (CCBC, 2018-2023) – Well-Being Plan Objective 4: Positive Places – Enabling our communities to be resilient and sustainable
  - Corporate Plan (CCBC, 2018-2023) Well-being Objective 3: the availability, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve peoples' well-being.
  - Caerphilly Homes Service Plan.
- 7.2 Improving Lives and Communities: Homes in Wales (Welsh Government, 2010) which sets out the national context on meeting housing need, homelessness and housing related support services.
- 7.3 Effective financial planning and financial control contribute to 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 globally responsible Wales
- 7.4 Whilst Housing services contribute towards the Act, this is a financial report for information only and therefore does not directly contribute towards the above wellbeing goals.

## **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 of Future Generations Act (Wales) 2015 are met.

## **9. EQUALITIES IMPLICATIONS**

- 9.1 An EIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified; therefore, a full EIA has not been carried

## **10. FINANCIAL IMPLICATIONS**

- 10.1 This report deals with the financial implications of the proposed rent increases which affects the HRA.
- 10.2 The impact of the Welfare Reform Act is not taken into consideration.

## 11. PERSONNEL IMPLICATIONS

- 11.1 The proposals contained in this report will not alter the current arrangements for the collection of housing revenue account monies.

## 12. CONSULTATIONS

- 12.1 All consultation responses have been reflected in this report
- 12.2 In addition, following presentation to H&R Scrutiny Committee on the 26<sup>th</sup> January 2021, members were informed that the recommended increase of 1.5% was the lowest increase in a number of years, and a lower or nil increase would mean fewer resources to manage the housing service, or result in the need to increase borrowing. The scrutiny committee were advised that if there were no increase in rents this year it would have a detrimental impact on future years, as the business plan relies upon rent increases to support and maintain the housing stock, and also to progress the decarbonisation of homes, and meet the commitment to provide new affordable housing, to reduce waiting lists and homelessness. Members were asked to note that 1.5% is less than projected in the business plan.
- 12.3 Members were asked to note that 72% of tenants receive housing benefit and recent surveys show that 57% of tenants consider that rents are fair and that 60% consider the council provides value for money, Caerphilly tenants pay lower rents on average when compared with council rents across Wales and are also low when compared to the private sector.
- 12.4 The scrutiny committee expressed some concerns with raising rents during the current pandemic, with many people losing their employment or in furlough, and asked if the HRA can be supported by other funding, Members were advised that unfortunately the HRA is a ring fenced budget that is self-financing and cannot access other funds. It was also noted in the report, that due to the nature of the ring-fence, there is also no access to any financial assistance as a result of additional costs due to Covid-19. Members supported the 1.5% increase but asked that opportunities to support tenants affected by the pandemic be explored.

## 13. STATUTORY POWER

- 13.1 Local Government Acts 1972. This is a Cabinet function.

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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 Houses & Property
- Dave Street - Corporate Director Social Services & Housing
- Shaun Couzens - Chief Housing Officer
- Robert Tranter - Head of Legal Services/Monitoring Officer
- Stephen R Harris - Head of Corporate Finance & S151 Officer
- Sandra Isaacs - Rents Manager
- Amanda Main - Acting Benefits Manager
- Fiona Wilkins - Housing Services Manager
- Paul Smythe - Housing Technical Manager
- Mandy Betts - Tenants & Community Involvement Manager



Gadewir y dudalen hon yn wag yn fwriadol