



## **CABINET**

### **MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, TREDOMEN ON WEDNESDAY 3RD FEBRUARY 2016 AT 2.00 P.M.**

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PRESENT:

Councillor K. V. Reynolds – Chair

Councillors:

C. Forehead (HR and Governance/Business Manager), N. George (Community and Leisure Services), D.T. Hardacre (Performance and Asset Management), K. James (Regeneration, Planning and Sustainable Development), B. Jones (Corporate Services) and T.J. Williams (Highways, Transportation and Engineering).

Together with:

C. Burns (Interim Chief Executive), C. Harray (Corporate Director - Communities) and N. Scammell (Acting Director of Corporate Services and S151 Officer).

Also in Attendance:

K. Cole (Chief Education Officer), C. Jones (Youth Forum Co-ordinator), P. O'Neil (Community Education Manager), Cllr M. Prew (Caerphilly Youth Champion), P. Davy (Head of Programmes), S. Couzens (Chief Housing Officer) and C. Evans (Committee Services Officer).

Also Present: Lauren Prosser (Chair, Youth Forum) and Dylan Thomas (Education Representative, Youth Forum)

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

Apologies for absence were received from D. Street and Councillors R. Passmore (Education and Lifelong Learning) and R. Woodyatt (Social Services).

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

There were no declarations received at the beginning or during the course of the meeting.

#### **3. CABINET – 9TH DECEMBER 2015**

RESOLVED that the minutes of the meeting held on 20th January 2016 (minute nos. 1 - 14) be approved and signed as a correct record.

## **MATTERS ON WHICH EXECUTIVE DECISIONS WERE REQUIRED**

### **4. JUNIOR AND YOUTH FORUM PRIORITIES**

The Youth Forum, who also attended Education for Life Scrutiny Committee on 12th January 2016, provided a presentation on the issues raised by children and young people via the Youth Service's Junior and Youth Forums, and the current Priority Issues.

Members were informed that at the Annual Youth Forum Conference young people were provided with the opportunity to explore issues and present their views on each of the four themes (Education for Life; Living Environment; Health, Social Care and Well-Being; and Regeneration). The key issues and priorities identified by both the Youth Forum and Junior Forum included Modernising the Youth Service, to raise awareness around Mental Health and to respect the natural habitat of wildlife.

Members thanked the young people for their excellent presentation and highlighted that the opportunity to work with the Youth and Junior Forum on the priorities is very much welcomed and closely linked with Cabinet's own. It was noted that a review of the Youth Service is planned, which aims to improve venues and resources, as well as the use of social media; it is intended that the Drug and Alcohol Education delivery be expanded and work with partners would be conducted to improve responses to the mental health needs of young people.

It was noted that the Flying Start Inclusion and Support Project provides low level Mental Health Support to children, young people and their families. Work is underway on a Gwent wide basis with ABuHB to utilise Team Around the Family approaches more effectively to provide more efficient mental health services. In addition, Public Space Protection Orders were introduced last year which provide additional controls over some of the behaviours arising from substance misuse. Work has been undertaken with the Forum, along with other partners in relation to drug and alcohol issues and the outcome of which is eagerly awaited.

A Member sought confirmation that the priorities identified in 2015 were now completed. It was noted that, whilst projects have been undertaken to tackle the issues and priorities identified, work will still continue in key areas, such as Domestic Abuse Awareness, in order to keep the message going.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officers report the Junior and Youth Forum issues be supported by Cabinet.

### **5. HOUSING ACCOUNT CHARGES – 2016-2017**

The report, which provided details of the proposed increased charges which are intended to be effective for the Housing Revenue Account (HRA) for the 2016/17 financial year, was considered by the Policy and Resources Scrutiny Committee on 19th January 2016, and sought the approval of Cabinet on the proposed.

The report summarised the process involved in preparing the Housing Revenue Account (HRA) budget. Members were advised that a new rent policy came into effect from April 2015 (as part of the Welsh Government's (WG) new Policy for Social Housing Rents) which was accepted by the Scrutiny Committee in the 2015/16 HRA Charges report. The policy sets a target rent band for each Authority whereby councils will have to adjust average rents for their properties in line with this banding. The uplift on the new rent policy is fixed for five years and uses the previous September Consumer Price Index (CPI) inflation figure (as opposed to the

RPI inflation figure), plus a 1.5% real increase to the average local authority rent, with further discretion for local authorities to apply an additional £2 per week increase. WG have announced the minimum rent uplift for 2016/17 to be 1.4% (which is CPI at -0.1% plus 1.5%). However if this increase is applied it will not meet the rent policy target rent band that has been set for CCBC.

It was therefore proposed to apply a minimum rent increase of 3.5% per property from April 2016 to ensure compliance with the new rent policy and to maintain the viability of the Council's current business plan. Council tenants were consulted on whether CCBC rent setting policy should change to take into account regional and energy efficiency factors that make up the WG rent matrix, with the majority in agreement that the existing policy should remain unchanged, and hence there is no intention to include these factors within the Council's rent setting policy.

The report also proposed increased service charges relating to the Council's Sheltered Housing Schemes and rent increases for Council-owned garages. Officers explained that it was not proposed to increase the current guest room charge in sheltered housing complexes (in that a decrease in charges is being considered in order to increase their demand) and that a consultation exercise on alternative uses for these rooms is being arranged.

A consultation exercise took place in respect of the rent setting policy and the mix of Council tenants surveyed, and Officers outlined the processes used in contacting tenants to invite them to the consultation events. Members were informed that from 970 tenants who were invited to take part in the consultation, 56 tenants attended the events and a further 17 tenants attended a tenant information exchange.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officers report: -

- (i) A minimum rent increase of 3.5% per property be applied from April 2016 to ensure compliance with the new rent policy and to maintain the viability of the current business plan, which is equivalent to an increase of CPI plus £1.63 (52 week basis);
- (ii) That the current rent setting policy agreed in December 1997 remains in place;
- (iii) The variable service charge at sheltered complexes with communal facilities be set at £28.18 (bronze service), £30.63 (silver service) and £34.20 (gold service) over a 48 week basis from April 2016;
- (iv) The variable service charge in the four declassified sheltered schemes without communal facilities be set at £10.31 (bronze service), £12.76 (silver service) and £16.33 (gold service) over a 48 week basis from April 2016;
- (v) The service charge payable by residents of Tredegar Court be increased to £65.26 over a 48 week basis from April 2016;
- (vi) The meal cost at Tredegar Court be increased to £35.89 based on a 48 week basis from April 2016;
- (vii) The guest room charge for sheltered housing complexes not be increased from April 2016;
- (viii) The garage charges for Council and non-council tenants be increased to £7.96 based on a 48 week basis from April 2016.

## **6. WHQS COMPLIANCE POLICY**

The report, which was considered by the Policy and Resources Scrutiny Committee on 19th January 2016 and Caerphilly Homes Task Group on 10th December 2015 sought the endorsement of the draft WHQS (Welsh Housing Quality Standard) Compliance Policy, which is a Welsh Government requirement, prior to its presentation to Cabinet.

Members were advised that social housing landlords are required to put in place a Compliance Policy by 1st April 2016. The Compliance Policy is intended to provide the Welsh Government tenants and the Council with assurance that WHQS will be achieved and maintained and must set out the arrangements for independent verification.

Cabinet noted that the Caerphilly Homes Task Group had expressed a need for the Environmental Programme to be more fully incorporated into the Policy, as it is an integral part of the programme, and at that meeting it was agreed that an additional paragraph be included in the Policy as follows:-

“There will be a separate environmental programme which will address Part 6 of the WHQS. The process will involve engagement and consultation with residents to identify community aspirations and to determine priorities for environmental improvements. An engagement plan has been agreed that will run from January 2016. Project implementation is likely to commence during 2016 and will be phased through to the end of the programme in 2020. Improvements may include landmarks/gateways, street furniture, traffic calming, street lighting, rationalising pedestrian routes, landscaping, safe play areas, car parking, defensible space and demarcation of boundaries”.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officers report and subject to the inclusion of reference to the Environmental Programme, the WHQS Compliance Policy be adopted.

## **7. SMALL LOTS – REVIEW OF CONTRACT ARRANGEMENTS**

The report, which was considered by the Policy and Resources Scrutiny Committee on 19th January 2016 and Caerphilly Homes Task Group on 10th December 2015 proposed changes to the contract arrangements for external works in the Eastern Valleys.

The external works within the Eastern Valleys are being undertaken through a series of small lots contracts. Experience over the last 2 years has given rise to concerns that if continued reliance is placed on this method alone there are significant risks that this part of the WHQS programme will not be delivered by 2020. A review of the contract arrangements has concluded that the external works on 2 large estates (Cefn Fforest and Ty Sign) should be undertaken by alternative means and there is an opportunity to link this with the procurement of new contract arrangements for external works in the Lower Rhymney Valley.

Officers referred to Section 4.17 of the report, which suggested that the location restriction remain for the residual value of the small lots work. Members were advised that it was proposed to make an amendment to the report in that this location restriction be removed (and therefore tender invites for small lots contracts be extended to contractors located outside the county borough), due to a change in the market conditions, there is a shortage of local contractors to fulfil the available small lots contracts (and therefore a need to extend the location criteria to include a wider geographical area).

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officers report: -

- (i) There be a reduction in the amount of work to be procured via small lots over the remaining period of the programme in view of the risks of not completing this by March 2020;
- (ii) The external works on the Ty Sign and Cefn Fforest estates be incorporated within the procurement of new contact arrangements for external works in the Lower Rhymney Valley;
- (iii) The adoption of 2 value bands be supported for small lots contract packages over the remainder of the programme period, subject to review in light of tender returns, and the Caerphilly location restriction for the residual value of the small lots work be removed;
- (iv) The Project Board continue to endorse the award of any small lot contract with a final tendered sum that exceeds the upper limit of either value band range where appropriate.

## **8. ROWAN PLACE – PROGRESS REPORT AND SENSITIVE LETTINGS POLICY**

The report, which was considered by the Policy and Resources Scrutiny Committee on 19th January 2016 and Caerphilly Homes Task Group on 10th December 2015 provided an update on the progress made in relation to delivering a targeted regeneration programme in Rowan Place, Rhymney, and sought adoption of a sensitive lettings policy and introductory tenancies specifically in relation to Rowan Place.

Members noted that following the identification of severe damp and external defects to the fabric of the properties in Rowan Place, Council approved a £4.2m budget to undertake a comprehensive refurbishment of the 72 Council properties on this estate. This regeneration programme has commenced and has been supplemented by funding from the Welsh Government which will facilitate environmental enhancements within Rowan Place. To date, internal works have been completed to 16 bungalows and 14 flats and the majority of external works to the bungalow have been completed. External wall insulation has been completed in 5 blocks of flats, groundworks are ongoing in 3 blocks, and roof work has commenced to 6 houses.

In previous years, Rowan Place has been plagued by high levels of anti-social behaviour, crime and drug and alcohol abuse. Consequentially, it was proposed to introduce a Sensitive Lettings Policy (attached at Appendix 1) which will cover all 2-bedroom flats in Rowan Place. The Policy incorporates a strict set of criteria against which applicants will be assessed prior to the granting of a tenancy, and will include introductory tenancies for new allocations. This will facilitate a 12-month trial period before a secure tenancy is awarded and include a provision for the tenancy to be brought to an end during this time, should the tenant breach the tenancy requirements. It was noted that introductory tenancies would only apply to new tenants and that any current tenant of Caerphilly Homes who transfers into Rowan Place will continue on an existing tenancy.

Cabinet were asked to note that, since the presentation at Policy and Resources Scrutiny Committee and in seeking advice from Legal Services, some concerns have been raised in relation to the implementation of Introductory Policies for Rowan Place only. Members were asked to note that further Legal Advice has been sought and, should Members be of a mind to adopt the Policies, the adoption of the Introductory Tenancies Policy be held in abeyance, and if appropriate, be approved by the relevant Head of Service under delegated powers.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officers report and outlined at the meeting: -

- (i) the Sensitive Lettings Policy be adopted and;
- (ii) the adoption of introductory tenancies for new tenants in Rowan Place be held in abeyance pending receipt of further legal advice and if appropriate, adoption will be approved by the relevant Head of Service under delegated powers in consultation with the relevant Cabinet Member.

## **9. RE-PROFILING OF WHQS PROGRAMME AND HRA CAPITAL PROGRAMME 2016-17**

The report, which was considered by the Policy and Resources Scrutiny Committee on 19th January 2016 and Caerphilly Homes Task Group on 10th December 2015, highlighted the changes to the Welsh Quality Housing Standard (WHQS) programme and set out the Housing Revenue Account (HRA) Capital Programme, and proposed adoption of these programmes.

Members were reminded of the major slippage to the WHQS programme during 2014/15 which necessitated a review of the investment strategy, and which was approved by Cabinet in February 2015, together with the Capital Programme for the 2015/16 financial year. The new programme was front-loaded in an attempt to catch up on the slippage but has led to resourcing issues (particularly in the Eastern Valleys) and has caused problems for the WHQS team due to the number of properties being worked on across the county borough. The number of the properties in the internal works programme reduces in the later years of the programme and a further re-profiling is advocated to have a more consistent number of properties each year. This is a benefit to some community areas that will be pulled forward, although others will slip back. Some of the changes are also to avoid gaps arising on the larger estates and enable continuity of phasing of works.

Officers explained that it will not be possible to catch up on the external works programme within 2015/16, with most of the current financial year planned programme expected to run into 2016/17. A number of sequence changes to external works take account of the change in approach in the Lower Rhymney Valley and will minimise (as far as practical) conflicts between internal and external works, with overlaps being managed as they arise. The HRA Capital Programme budget allocates the necessary resources based on the Savills cost plan to deliver the programme during 2016/17. Experience has shown that significant variances will arise once the properties are surveyed and contract packages are specified. A large contingency has therefore been included within the budget proposal. Appended to the report were details of community sequence changes in respect of internal and external works to Council homes, a re-profiled investment strategy and the HRA Capital Programme for 2016/17.

Members were further advised that the estimated completions for internal and external works shown for 2015/16 were unlikely to reach the levels shown in the report.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officers report and outlined at the meeting: -

- (i) The re-profiling of the Welsh Housing Quality Standard Programme and the Capital Programme for 2016/17 that flows from the re-profiling be adopted;
- (ii) A further report be presented when sufficient information is available to update the Savills cost plan based on an analysis of actual costs being incurred for internal and external works.

**10. ROWAN PLACE RHYMNEY – SURRENDER OF LEASE ON 70 ROWAN PLACE AND TRANSFER OF LEASE TO 29 ROWAN PLACE**

The report sought the approval of Cabinet to the surrender and transfer of the lease of 70 Rowan Place to the Council and transfer of the lease to a fully refurbished flat at 29 Rowan Place at nil cost to the leaseholder of 70 Rowan Place.

Cabinet has approved the principle of demolishing one block of flats at Rowan Place subject to obtaining Ministerial consent. The block nos. 69-72 is unoccupied but no.70 is subject to a lease with 94 years unexpired. The leaseholder has informally accepted a proposal to move from no.70 to a newly refurbished flat at no.29 Rowan Place. This will result in the Council securing full control over the block which will enable the demolition to proceed. A formal decision is required to accept a surrender and transfer of no.70 to the Council and transfer a leasehold interest in no 29 at nil cost to the leaseholder of no.70.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed:

RESOLVED that for the reasons contained in the Officers report the principle of the surrender of the existing lease on 70 Rowan Place and the transfer of the lease terms to 29 Rowan Place to reflect the unexpired term of the existing lease and with the same ground rent at no cost to the leaseholder, be approved.

The meeting closed at 3.18pm

Approved and signed as a correct record subject to any corrections made at the meeting held on 17th February 2016.

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CHAIR