



## **POLICY AND RESOURCES SCRUTINY COMMITTEE**

**MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH ON  
TUESDAY, 15TH NOVEMBER 2016 AT 5.30 P.M.**

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PRESENT:

Councillor S. Morgan - Chair  
Councillor G. Kirby - Vice-Chair

Councillors:

Mrs P. Cook, C.J. Cuss, C. Hawker, A. Lewis, C.P. Mann, Mrs G.D. Oliver, R. Saralis,  
J. Simmonds

Cabinet Members:

Mrs C. Forehead (HR and Governance/Business Manager), D.T. Hardacre (Cabinet Member  
for Performance and Asset Management), Mrs B. Jones (Cabinet Member for Corporate  
Services), D.V. Poole (Housing)

Together with:

N. Scammell (Acting Director of Corporate Services and Section 151 Officer), S. Couzens  
(Chief Housing Officer), S. Harris (Interim Head of Corporate Finance), S. Cousins (Principal  
Housing Officer - Housing Portfolio), M. Betts (Tenant and Community Involvement Manager),  
C. Forbes-Thompson (Interim Head of Democratic Services), E. Sullivan (Scrutiny Officer),  
T. Rawson (Solicitor) and R. Barrett (Committee Services Officer)

Also present:

Ms A. Lewis and Mrs S. Jones (Tenant Representatives - Caerphilly Homes Task Group)

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

Apologies for absence were received from Councillors L. Binding, Miss E. Forehead,  
J.E. Fussell, Ms J.G. Jones, D. Rees and J. Taylor.

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

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

### **3. MINUTES - 4TH OCTOBER 2016**

RESOLVED that the minutes of the Policy and Resources Scrutiny Committee held on 4th October 2016 (minute nos. 1 – 11) be approved as a correct record and signed by the Chair.

### **4. CALL-IN PROCEDURE**

There had been no matters referred to the Scrutiny Committee in accordance with the call-in procedure.

### **5. REPORT OF THE CABINET MEMBERS**

The Scrutiny Committee received verbal reports from Councillors Mrs C. Forehead, Mrs B. Jones, D.T. Hardacre and D.V. Poole.

Councillor Mrs C. Forehead (Cabinet Member for HR and Governance/Business Manager) advised Members that the changes to Scrutiny arrangements will be evaluated during the next few months to establish the effectiveness of these arrangements against the nationally recognised characteristics of good scrutiny. There will also be a peer group observation of some Scrutiny Committees which will then be evaluated and reported to the Scrutiny Leadership Group and the Democratic Services Committee.

Councillor Mrs B. Jones (Cabinet Member for Corporate Services) informed Members that details of the 2017/18 Provisional Local Government Financial Settlement (a 0.3% reduction in Welsh Government funding for Caerphilly Council) will be provided at a forthcoming Members' Seminar, together with an update on the emerging cost pressures and savings required for 2017/18. Following presentation of the draft budget proposals to Cabinet on 30th November 2016, these will then be subject to a period of consultation, including discussion at Special Scrutiny Committee meetings.

The most significant savings proposal for 2017/18 is £3.5m, arising from a review of the Authority's Minimum Revenue Provision policy, which will be reported to the special Policy and Resources Scrutiny Committee meeting on 7th December 2016. Details of the proposed policy change will also be provided at a Members' Seminar in January 2017, together with a general update on Treasury Management issues, and proposals will then be presented to Cabinet and thereafter Council.

The Scrutiny Committee were pleased to note that the Council's Communications Team recently won the Silver Award in the LG Public Service Communications Excellence Awards 2016, with their 'Is yours a sin bin?' campaign reaching the final shortlist of 25 nominees. The Council were competing with a number of high-profile organisations and were the only Welsh entry shortlisted. Members placed on record their congratulations to the Communications Team on this prestigious achievement.

Councillor D.T. Hardacre (Cabinet Member for Performance and Asset Management) provided an update on the tender process for the former Pontllanfraith House site and responded to queries on this matter. It is anticipated that work on the site will commence in 2017 and that the developer will be responsible for the demolition of the building. Members were also advised of a number of factors that need to be considered when awarding the contract, including sustainability, build quality and value for money.

Members were informed that flood alleviation works have recently been completed in Risca, with it hoped that this will have a regeneration potential on land previously blighted by flooding. The Cabinet Member also provided an update regarding Watford Road, Caerphilly, where the Council is working in partnership with United Welsh Housing Association to develop

a new model for the provision of affordable housing. Construction work has commenced on this development of mixed tenure, with 18 units out of 34 allocated for affordable housing. Councillor D.V. Poole (Cabinet Member for Housing) updated Members on developments across the Housing Services division, including the introduction of a text messaging alert system for Repair and Surveyor appointments, and details of the three year programme to progress Welsh Housing Quality Standard (WHQS) work for 28 sheltered housing schemes.

Members were advised that internal works for the WHQS programme across Council homes are progressing well, with the in-house workforce leading the way in regards to property completion and customer satisfaction. External contractors undertaking the internal works have also begun to improve outputs and maintain quality scores. External works contracts are now in place and good progress and momentum is being achieved in catching up the slippage from previous years. Members noted that at a recent meeting between Officers and WG, it was proposed that the risk of delivering the programme by 2020 be reduced from 'red' to 'amber' in recognition of the progress that has been made and the arrangements that have been put in place to mitigate the risk.

A Member queried whether any major problems had been identified as a result of the surveys carried out across Sheltered Housing properties, and also referred to underperforming contractors in the Rhymney area. The Cabinet Member confirmed that internal works surveys have identified minimal issues that are similar in nature across properties, although it is anticipated that the external surveys will identify a greater need for works. Members were given assurances that underperforming contractors are identified and dealt with appropriately and that it is reinforced to them how a high standard and quality of work is integral to tenant satisfaction.

The Cabinet Member also referenced the development of the affordable housing scheme at Watford Road, Caerphilly, with this believed to be the first such partnership of this kind between a local authority and a housing association in the UK. Members were advised that the Council would benefit from the full market value for the site and would also receive an above market residual income from non-disposed land (comprising of an annual fee from the housing association).

Members thanked the in-house workforce for their contribution to the high customer satisfaction rating of 94% across the internal works element of the WHQS programme and the Cabinet Member confirmed that he would convey this praise to the relevant staff.

The Cabinet Members were thanked for their reports.

## **6. POLICY AND RESOURCES SCRUTINY COMMITTEE FORWARD WORK PROGRAMME**

Cath Forbes-Thompson (Interim Head of Democratic Services) presented the report, which outlined details of the Policy and Resources Scrutiny Committee Forward Work Programme (FWP).

Members were advised that the FWP includes all reports agreed at the meeting held on 4th October 2016 and outlines the reports planned for the period November 2016 to April 2017. Members were asked to consider the FWP alongside the Cabinet Work Programme as appended to the report and to suggest any changes.

Discussion took place regarding the items listed on the Forward Work Programme. It was agreed that Housing Service Charges be rescheduled to 6th June 2017 and that Wellbeing Objectives 2016/17 - Investment in Council Homes be added to 28th February 2017. It was also noted that the Treasury Management - Review of MRP Policy previously scheduled for 4th October 2016 had been rescheduled to the Special Policy and Resources Scrutiny Committee meeting of 7th December 2016 with the prior approval of the Chair.

It was agreed that subject to the foregoing amendments, the Policy and Resources Scrutiny Committee Forward Work Programme be published on the Council's website.

## **7. CABINET REPORTS**

None of the Cabinet reports listed on the agenda had been called forward for discussion at the meeting.

## **REPORTS OF OFFICERS**

Consideration was given to the following reports.

## **8. AN UPDATE ON THE HOUSING DIVISION'S USE OF BED AND BREAKFAST FACILITIES FOR EMERGENCY ACCOMMODATION**

The Scrutiny Committee were advised that representatives from Argoed Residents for a Safer Community had been invited to the meeting but were not in attendance.

Kenyon Williams (Private Sector Housing Manager), together with Shaun Couzens (Chief Housing Officer) and Suzanne Cousins (Principal Housing Officer – Housing Portfolio) presented the report, which provided Members with an update in respect of the Housing Division's current use of Bed and Breakfast (B&B) facilities for emergency accommodation.

Members were reminded that following concerns raised at Council in April 2015 by members of Argoed Residents for a Safer Community in respect of the Authority's use of B&B accommodation for homeless persons, a Special Policy and Resources Scrutiny Committee meeting was convened on 22nd October 2015 to discuss the matter. The report presented at that meeting provided a comprehensive overview in respect of the use of B&B accommodation within the county borough for households presenting to the Authority as homeless and the statutory obligations placed on the Authority. Presentations were also received from Cornerstone Support Services and Argoed Residents for a Safer Community. Following extensive debate on the issue, it was agreed that the use of B&Bs as emergency accommodation should be brought back to a future meeting of the Policy and Resources Scrutiny Committee for further review.

The latest report outlined the efforts that have been undertaken since October 2015 in the strive to move away from the use of B&Bs for emergency accommodation and informed Members as to the current position of the Authority in this regard.

Members were advised that the Council has a statutory duty to provide emergency accommodation for persons identified as being homeless and in priority need. A list of these priority need categories was appended to the report. Since November 2014 the Authority has made a conscious effort to reduce its reliance on B&B accommodation for emergency housing. This has been progressed by the creation and use of additional supported accommodation located at Ty'r Fesen in Caerphilly, Ty Croeso in Newbridge, Maes y Derwen in Tredomen and the Countryman in Bedwellty. This increase in availability has significantly reduced the average number of persons placed in B&Bs at any one time (from 30-35 persons in November 2014 down to 5 persons during 2016).

Whilst this is a notable achievement, Officers are actively continuing their efforts to identify additional supported accommodation so as to further reduce reliance on B&B accommodation. The Council recently secured a block of self-contained flats located at Llys Tabernacle in Rhymney, and following approval by Cabinet to progress a partnership arrangement between the Authority and Wales and West Housing, the building was converted

to a 12-room supported living facility, which officially opened under the new name of "Idris Davies House" on 31st October 2016.

It was expected that this additional facility would have almost certainly placed the Authority in a position whereby future B&B use would be unlikely or at best minimal. However, concerns have now been raised which has seen the Authority having to discontinue its use of the Countryman. A recent inspection by HM Inspectorate of Probation, Ofsted (Social Care) and the Care and Social Services Inspectorate Wales (CCSIW) was extremely critical of the premises and cited the building's location and state of disrepair as contributing to the facility's inability to provide supported accommodation of an acceptable standard. The young people at these premises have now been relocated to Maes y Derwen. The effect of this is that even with Idris Davies House now available there is an overall loss of 2 rooms for emergency housing, which is obviously disappointing.

Officers also outlined progress on the development of a Social Lettings Agency, which was intended as a future response to homelessness and a positive mechanism to further reduce the reliance on B&B accommodation, via the use of private sector properties through a partner housing association and providing affordable tenancies with support. Unfortunately, interest from private sector owners has been relatively slow. To date only 5 properties have been secured and 2 of these were diverted to assist with the Syrian refugee programme. This initiative is currently being supported by funds provided by Welsh Government Transitional funding for which ongoing commitment has not been secured and which will end on 31st March 2018. Officers are therefore closely monitoring progress with this initiative.

In conclusion, Officers explained that the Authority has made meaningful progress in its efforts to reduce its reliance on B&Bs for emergency accommodation and, were it not for the unforeseen concerns raised in respect of the continued use of the Countryman, the Authority would almost certainly be reporting at this time that the use of B&B (other than in extreme circumstances) had ceased. Unfortunately the Countryman issue means that the Authority still needs to source additional supported accommodation to properly address client needs and so Officers are actively working with Housing Association partners in an effort to secure the provision of a suitable facility as a matter of urgency.

Members were asked to note that impending Housing Benefit caps will pose a threat to a number of households who currently rent their properties. It is estimated that this welfare reform will affect approximately 200 families, which could potentially increase the incidence of evictions. This may bring further pressures in respect of the availability of supported accommodation, especially in the case of family accommodation which is currently only available at Ty'r Fesen. Trends therefore need to be carefully monitored to ensure that the provision of supported accommodation is sufficient to cope with any additional demand that may arise. Additionally, the activities outlined in the report to manage instances of homelessness are potentially under threat as a result of the uncertainty of future funding (including Welsh Government Transitional funding and Supporting People funding). There is also the financial implication of void costs in supported accommodation should the Authority successfully move away from the use of B&B accommodation.

The Officers were thanked for the report and discussion took place on its contents. Further information was sought regarding the Countryman inspection and Officers explained that there had also been concerns surrounding the mixture of ages at the premises and the general suitability of the facility for young people. Due to its location, the Authority would not be looking to reintroduce it as supported accommodation in the future. Officers also explained that other supported accommodation locations can be adapted to support the zoning of age groups as and when needed.

A Member referred to damage caused by service users at the Countryman and asked if appropriate action had been taken regarding the matter. They also expressed a need for community engagement strategies to be examined in relation to supported accommodation schemes. Officers explained that service users are expected to abide by the rules established

by the supported living provider and the proprietor and that they may be asked to leave the scheme if these are contravened. Officers also acknowledged the importance of community engagement and establishing community groups in cases where there have been concerns surrounding supported accommodation premises.

Discussion took place regarding the list of priority need categories of households who may present to a local authority as homeless and whether certain cases would meet this criteria. Officers confirmed that due consideration would be given to the circumstances surrounding each case, together with relevant legislation, to determine whether they meet the criteria.

Reference was made to a letter sent to Welsh Government following the Special Policy and Resources Scrutiny Committee meeting of 22nd October 2015 which emphasised the importance of Transitional funding and Supporting People funding in preventing homelessness and reducing the use of bed and breakfast accommodation. It was agreed that a follow-up letter on this matter would be sent to Welsh Government on behalf of the Scrutiny Committee.

Having given due consideration to the report, Members agreed that its contents be noted. It was also agreed that a progress report on supported accommodation would be presented to the Scrutiny Committee once further information is available.

## **9. UPDATE ON RESERVES**

Steve Harris (Interim Head of Corporate Finance) presented the report, which provided details of the usable reserves held by the Authority and asked Members to consider proposals for the use of reserves in some areas, prior to them being presented to Cabinet for approval.

It was explained that the usable reserves held by the Authority as at the 1st April 2016 totalled £122.622m, with details of these set out at Appendix 1 of the report. The report also summarised details of these reserves, which are held across a number of areas (General Fund, Housing Revenue Account, Capital Reserves and individual directorates).

Members were advised that the actual General Fund opening balance as at the 1st April 2016 was £12.615m and after adjusting for the approved use of these balances during 2016/17, the projected balance as at the 31st March 2017 currently stands at £11.155m. This balance is above the minimum recommended level of £10m, which is circa 3% of the Authority's net revenue budget. The HRA usable reserves balance as at the 1st April 2016 was £21.218m, which is ring-fenced and cannot be transferred into General Fund balances. Most of this funding will be utilised for the Welsh Housing Quality Standard (WHQS) Capital Programme. Capital Reserves totalled £39.156m as at the 1st April 2016 and these are ring-fenced for the Authority's Capital Programme, including approved matched funding for 21st Century Schools. Members were advised that capital reserves will be subject to a detailed review over the coming months and the outcome will be reported to the Scrutiny Committee in due course.

Sections 4.5 to 4.8 of the report provided details of the individual reserves held across each directorate as at the 1st April 2016 (totalling £49.633m). Following a review of these balances the report recommended that some uncommitted reserves should be released to General Fund balances.

Members were also advised that the Reserves Strategy approved by Cabinet on the 27th July 2016 introduced a cap on the cumulative amount that can be held by Directorates in service underspend reserves. This cap is set at 3% of the net revenue budget for each Directorate. Where this is exceeded, then proposals must be presented to utilise the excess or a justification must be made to hold the reserves above the 3% level. Paragraph 4.9.3 of the report outlined proposals to utilise or retain the excess accumulated underspend reserves for Corporate Services, Education and Lifelong Learning and Social Services. Members noted

that at its meeting on the 19th October 2016, Cabinet agreed to utilise £247k of the retained underspend of £305k for the Environment Directorate to part-fund capital overspends.

A Member sought clarification on the balances held within the Housing Revenue Account and it was agreed that further information on this matter would be circulated to the Scrutiny Committee following the meeting. A query was also received regarding the progress made against the Authority's investments and Officers explained that despite uncertainties regarding the current economic climate, the returns on these investments have generally been encouraging.

Following consideration of the report, it was moved and seconded that the following recommendations be referred to Cabinet for approval. By a show of hands, this was unanimously agreed.

RECOMMENDED to Cabinet that:-

- (i) the contents of the report be noted;
- (ii) an earmarked reserve of £150k be established from the Local Management of Schools Contingency in respect of targeted support to raise GCSE attainment levels;
- (iii) the following reserves be released into General Fund balances:- Corporate Services - Policy (£32k), Corporate Services - Recruitment Advertising and Legal Costs (£133k), Corporate Services - Housing Benefits (£100k) and Education and Lifelong Learning - Service Initiatives Reserve (£28k);
- (iv) accumulated underspend reserves above the 3% cap be utilised as detailed in the table in paragraph 4.9.3 of the report.

## **10. COMPLAINTS AND REPRESENTATIONS – CAERPHILLY HOMES**

The Chair welcomed Ms Anna Lewis and Mrs Sandra Jones from the Caerphilly Homes Task Group to the meeting.

Mandy Betts (Tenant and Community Involvement Manager) presented the report, which provided information on the complaints and representations received by the Authority's Housing Customer Services Section from 1st April 2015 to 31st March 2016. The report had previously been considered and discussed at the Caerphilly Homes Task Group meeting of 3rd November 2016.

It was explained that the monitoring of complaints and representations is carried out to provide information on the level of satisfaction with the service provided by Caerphilly Homes. The results enable Managers to focus on areas of concern to improve service and monitor performance and ensure that similar problems are avoided in the future. The corporate complaints procedure places an emphasis on learning from complaints and there have been examples of complaints which have led to changes in policies and procedures, which were detailed in the report.

Officers provided an overview of the contacts received between 1st April 2015 and 31st March 2016. Full details were contained in the report and included the contact type and the relevant service category. During 2015/16 a total of 559 contacts were received from the public compared to 520 contacts for the same period in 2014/15. Records are also kept of any praise or thanks received by Caerphilly Homes, and in 2015/16 there were 78 such contacts recorded compared to 44 for 2014/15. Officers also outlined the Stage 1 and Stage 2 complaints received for 2015/16 and their outcomes (not upheld, partially upheld or upheld),

together with details of those complaints referred to the Ombudsman. 81 Stage 1 complaints were recorded in 2015/16 which is an increase on the 60 complaints received in 2014/15. The majority of these complaints related to housing management issues and WHQS internal works. It was noted that the level of Stage 2 complaints remained unchanged from 2014/15 (36 complaints) and of these, 19 had progressed from Stage 1.

Of the 36 Stage 2 complaints responded to, 6 were referred to the Public Services Ombudsman for Wales. None were investigated but one 'quick fix' was agreed and the Ombudsman was satisfied with the Council's approach to resolving the case. The recharge under dispute was withdrawn and practices regarding out of hours calls were reviewed, with these changes detailed in the report.

Members noted the response target times detailed in the report and the efforts of the Customer Services Section and Housing staff in responding to contacts within the corporate timescales. 94% of complaints and representations were responded to within the agreed timescales in 2015/16, which remains unchanged from 2014/15.

The report also provided examples of how Council has learned from complaints and the changes that have been made to the appropriate procedures. In respect of complaints relating to repair recharges made to tenants, a revised appeals procedure incorporating the use of an independent Recharge Review Panel was introduced in July 2016.

During the course of the ensuing debate, a Member explained that they do not always receive feedback in cases where they act as an advocate for the complainant. Officers acknowledged the importance of ensuring that Members receive a response in such instances. Members were also asked to note that the level of complaints remains very low in general, given the extensive WHQS works that are being undertaken across the county borough.

Having given due consideration to the report, the Scrutiny Committee noted its contents.

The meeting closed at 6.40 pm.

Approved as a correct record and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 17th January 2017, they were signed by the Chair.

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CHAIR