



POLICY AND RESOURCES SCRUTINY COMMITTEE

**MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH ON
TUESDAY, 28TH FEBRUARY 2017 AT 5.30 P.M.**

PRESENT:

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

Councillors:

L. Binding, Mrs P. Cook, C.J. Cuss, E. Forehead, C. Hawker, A. Lewis, C.P. Mann, D. Rees, R. Saralis, J. Simmonds and J. Taylor

Cabinet Members:

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

Together with:

C. Harry (Corporate Director Communities), S. Couzens (Chief Housing Officer), M. Lloyd (Deputy Head of Programmes), L. Allen (Group Accountant), C. Forbes-Thompson (Interim Head of Democratic Services), and C. Evans (Committee Services Officer)

Also present:

Mr M. Jones (British Telecom), Ms A. Lewis and Mrs S. Jones (Tenant Representatives - Caerphilly Homes Task Group)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors J.E. Fussell and Ms J.G. Jones.

2. DECLARATIONS OF INTEREST

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

3. MINUTES - 17TH JANUARY 2017

RESOLVED that the minutes of the Policy and Resources Scrutiny Committee held on 17th January 2017 (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, D.V. Poole, Mrs B. Jones and D. Hardacre. Questions and comments were invited on the report contents.

Councillor Mrs C. Forehead (Cabinet Member for HR and Governance/Business Manager) updated Members on developments across Legal and Democratic Services and credited the department on the areas of good practice recognised during the Lexcel.

Members noted that a new training on Ethics and Standards, which has been prepared by the WLGA, will be considered for approval by the Standards Committee and is aimed to be included in the Induction programme.

The Cabinet Member explained that the Independent Remuneration Panel (IRP) Final Report is due to be distributed to Councils later in the month, which will be presented to Council in due course.

Following the implementation of the Violence Against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015, training is under development within the National Framework to improve the arrangements for prevention, protection and support for individuals affected by Domestic Abuse. In addition the Act is set within the wider legislation context of Future Generations and Wellbeing legislation.

The Committee noted that the UK Government announced the plan to raise £3bn to fund apprenticeships in England in the Chancellor's Autumn Budget Statement. As a result, all employers with an annual wage bill of more than £3m will pay a levy of 0.5% of the total, with effect from 6th April 2017. This would amount to £454,000 for Caerphilly CBC's budget. Whilst the UK Government has confirmed that Wales will get £128m in the first year and £138m in the second year, there is no guarantee that Welsh Government will invest this to support the funding of apprenticeships. The Welsh Government has pledged to create at least 100,000 high quality, all age apprenticeships over the next 5 years. Whilst we know the financial cost to the Council, the full impact of the apprenticeship levy is still unknown at this stage.

Members thanked the Cabinet Member for the update and suggested that a letter be sent to the Welsh Government to determine the impact on Welsh Council's as a result of the Levy.

Councillor D.V. Poole (Cabinet Member for Housing) presented his report and advised Members that the energy efficiency works in Lansbury Park have commenced with some properties now receiving wall insulation and new render, which will not only improve the appearance of these properties, but also help to reduce fuel poverty for these residents. Similar Work has already been carried out in other parts of the borough and the feedback from residents has been extremely positive.

It was noted that the work will include all the council owned properties, and, as a result of cabinet approval, privately owned properties will also benefit from the scheme. In addition, the Committee were asked to note that a further bid for £380,000 has been successfully secured from WG via the Vibrant and Viable places funding and the Warms Homes Fund, which will provide additional works for landscaping and the demolition of the footbridge.

Members noted that the WHQS work to the Council's sheltered housing schemes is being carried out as a separate programme and is being delivered by the council's in-house workforce. The programme has been agreed to meet the WHQS timescale of 2020. Surveys of all next years schemes have been completed and meetings have been held with residents of each scheme. Work has already commenced in some schemes although the main programme of work is planned to commence in April, 2017.

To improve progress on the WHQS programme, it has been agreed that a new procurement process will be undertaken using a dynamic purchasing system. This will provide the council with an approved list of contractors that will be flexible to seek competitive tenders for both external and internal works throughout the borough. The main purpose of the DPS is to deliver the external works in the lower Rhymney Valley as no arrangements is currently in place, but the opportunity is being taken to widen the arrangement as a contingency for the whole of the borough. The system is expected to be operations from April, 2017.

Councillor B. Jones (Cabinet Member for Corporate Services) presented her report and advised Members that a pilot has been agreed by WHQS project board to grant Contractors who tender for the Dynamic Purchasing System (DPS) for the Provision of General Builders with a 'Passport to trade' without the validity of the contract arrangement. The 'passport to trade' will alleviate the need for contractors to frequently submit repeat qualifying information such as but not limited to Health and Safety and Insurance Documentation whilst tendering for various opportunities of a similar nature. Once approved for inclusion, there is no further need for Contractor's to submit qualifying information to be able to bid for work opportunities via the DPS. The 'passport to trade' removes barriers faced by SME's when tendering for opportunities.

It was noted that during November and December 2967 calls for green waste were handled. In addition 1,933 bookings were taken through the website using a digital service developed by the in-house IT Development Team.

The Members' ICT Consultation Group met for the first time on 5th January 2017 and began a review of the current services provided, identify future requirements and propose options for consideration. The Group is to meet again on 23rd February to continue its work in readiness for the new member induction process scheduled for 9th May 2017, where available services and equipment will be explained and demonstrated.

Members thanked the Cabinet Member for the update and sought further information on the DPS system, with particular reference to the contractors, the tender process and the employment of local people. Members noted that the process is intended to be more accessible for local and smaller contractors, in an attempt to encourage more bids. Members were assured that, as part of the tender process, evidence of living wage is required. An update report can be provided later in the year, once the process has embedded.

Councillor D. Hardacre (Cabinet Member for Performance and Asset Management) presented his report and advised Members that Persimmon has been appointed as the "Preferred Developer" for the Pontllanfraith House site; therefore their bid have been accepted in principle, subject to modifications to their estate design, to satisfy the requirements of Planning and Highways. In this respect discussions with Persimmon have been very positive to date.

Discussions have commenced with Persimmon to begin demolition of the former offices at the earliest possible time, which would remove the current liabilities for the vacant building by the council. Persimmon is inviting tenders for the work and it is hoped the site can be cleared by December 2017.

The Persimmon bid is subject to their final scheme receiving Planning approval.

In addition, Members were asked to note that the Council's Well-being Objective publication has been drafted and is now going through the democratic process to Cabinet on the 1st March 2017 and Council on the 7th March 2017.

Throughout last summer, the Caerphilly Public Services Board (PSB) asked people to have their say around the Caerphilly Wellbeing of Future Generations assessment 'The Caerphilly We Want'. Through this process, 37 key issues were identified for the PSB to consider when developing their 'Wellbeing Plan'. The next stage of the process is to narrow down the number of issues raised to a more manageable number of key priorities.

The Public Services Board is keen to find out which of these issues matter most to interested parties. Your views, as well as residents matter, and we would like to encourage you to complete a short online survey.

Members thanked the Cabinet Member for the update and sought further information on the plans for the site and whether social and affordable housing is to be included in the contract. Members noted that further discussions are to take place in relation to the layout of the site, it is anticipated that the number of affordable homes would depend on the Local Development Plan (LDP) and the number of houses to be placed on the site.

The Cabinet Members present 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 included all reports agreed at the meeting held on 15th November 2016 and outlined the reports planned for the period February 2017 to June 2017. Members were asked to consider the FWP alongside the Cabinet Work Programme as appended to the report and to suggest any changes.

In addition, Members were asked to note that, following the Local Government Elections, a workshop would be scheduled in which Members could consider their priorities and reports going forward.

It was agreed that 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. BRITISH TELECOM – UPDATE ON BROADBAND PROVISION (VERBAL UPDATE)

The Policy and Resources Scrutiny Committee welcomed Mr M. Jones – Superfast Cymru Programme Manager (BT) to the meeting, who provided a detailed presentation on the Superfast Cymru Programme.

Members noted that the Superfast Cymru Programme aims to provide superfast broadband across Wales. Of the 29.3million premises in the UK recorded, 22.4million (77%) have access to superfast broadband as a result of commercial rollout, of that, 6.8million were to be delivered as part of the BDUK Projects, Wales has total of 1.4million premises.

The Welsh Government has stipulated that the Superfast Cymru roll-out priority areas are defined as Economic being Enterprise Zones and Local Growth Zones and Social, which aims to reduce digital exclusion.

Members noted that the approach taken includes the deployment of both rural and business and consumer at the same time, which proves to be the most effective solution in order to reach as many people as quickly as possible. It has been a massive engineering project but Members were pleased to note that over 1.3 million premises in Wales now have access to Fibre Broadband.

The Committee noted that, whilst the project has been a success, one of the biggest issues being met is access to land or to dig where required.

Members thanked Mr Jones for the presentation and discussion ensued.

A Member sought further information on the distribution of Fibre to the Premises (FTTP) and Fibre to the Cabinet (FTTC). Mr Jones explained that there is a low volume of FTTP stalled, this is largely due to the cost. The majority of urban homes, due to their proximity to the exchange are fitted with FTTC, however, in cases of rural premises, and due to the distance from the exchange, premises are often fitted with FTTP. Significant works has been underway to increase the number of cabinet available in order to increase accessibility and speed, in addition, Members noted that there are a number of alternative options for those not eligible for or covered by Superfast Cymru.

A Member sought further information on Vectoring. It was noted that all cabinets now include vectoring, which reduces the interferences from other copper lines and can reduce the performance and download speeds.

A member, in noting the Wellbeing of Future Generations Act, and the anti-poverty agenda highlighted concerns about progress in comparison to other Countries. Mr Jones highlighted that, whilst FTTP would have been the better option, it would not have been cost effective, and significant works have been undertaken to upgrade systems that are already in place, however, as the programme continues, more areas are coming online, thus reducing exclusion.

Members were reminded that there are a number of events taking place across the borough to promote the programme. Details of which are available on the website.

The Scrutiny Committee thanked Mr Jones for the presentation and comprehensive overview of the Programme.

9. RE-PROFILING OF WHQS PROGRAMME AND HRA CAPITAL PROGRAMME 2017/2018

The report, which was considered by Caerphilly Homes Task Group on the 16th February 2017, sought the view of Policy and Resources Scrutiny Committee, prior to its presentation to Cabinet.

Members noted that there has continued to be progress and slippage with the WHQS delivery programme during 2016/17. As such it has been necessary to review and update the current delivery programme.

It was noted that the majority of the internal work changes have resulted in work being brought forward in the programme. In regard to the external works programme, the majority of the changes have results in works being moved to future years. The Sheltered Housing Scheme approach has now altered with the works being delivered by the in-house teams. This work has now been built into the forward works programme.

The HRA Capital Programme budget allocates the necessary resources based on the Savills cost plan. Work is underway to amend this approach so that in future it will be based on actual costs being achieved for works undertaken which provides a more realistic projection in relation to the proposed budget expenditure. These figures will be continually reviewed and assessed to provide the most accurate forecast possible for budget planning.

Cabinet noted that concerns were raised by both Representatives from the Caerphilly Homes Task Group and Policy and Resources Scrutiny Committee in relation to tenant involvement in future contracts and the continued use of the Savills Survey. It was noted that assurances have been provided that, where possible Tenant involvement will continue with the new DPS process and the Savills Survey will shortly be replaced with actual costs. Officers advised that work is ongoing to address the projected costs issue and this will be finalised within 6 months whereby historical actual costs will be used to calculate estimated average future projections.

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 Officer's report, and in noting the views of the Caerphilly Homes Task Group, the Re-Profiling of WHQS Programme and HRA Capital Programme 2017/18 be referred to Cabinet for consideration and approval.

10. WELL BEING OBJECTIVE WO5 – INVESTMENT IN COUNCIL HOMES TO TRANSFORM LIVES AND COMMUNITIES

The report provided details of the progress against Well Being Objective (WO5) – Investment in Council homes to transform lives and communities for 2016/17, during the period April 2016 to December 2016.

Members noted that the internal works have achieved 1567 completions against a target of 1692 (93%). The external completions have achieved 584 completions against a target of 1992 (28%). There has been limited progress in relation to the environmental programme.

Works in relation to energy efficiency and adaptations to meet tenants specific needs have progressed well during the year so far and tenant satisfaction levels remain high with extremely low levels of complaints.

The Committee noted that during the period covered by the report, it is assessed that achievement against the Well Being Objective WO5 is partially successful.

The Committee thanked the Officers for the report and discussion ensued.

A Member, in noting that the Communities First Programme is coming to an end sought further information on the LIFT programme. Officers highlighted that it is currently still early days, but will continue work with colleagues in order to provide the same aims.

A Member thanked the team for the excellent work provided, with particular reference to issues that have been raised as a result of quality of work. It was noted that the issues have been resolved and regular updates provided on the process.

Members discussed the Refusals. It was noted that there are a number of reasons for this, such as refusal of the works or inability to gain access to the property. There is a 3 Strikes system in place, following this, a legal process is followed with the Area Housing Office and Ward Members are made aware of the situation, as part of the process.

It was moved and seconded that the Scrutiny Committee note the content of the report and agreed the judgement of partially successful at this stage of the year. By a show of hands, this was unanimous.

11. HOUSING REVENUE ACCOUNT BUDGET MONITORING – PERIOD 9 2016/17

The report provided members with the projected expenditure for the Housing Revenue Account (HRA) for the 2016/17 financial year. The HRA Capital programme, which predominantly funds the WHQS programme was also included within the report.

Members were provided with details of the distinction between the HRA, which is funded by rental income received from council tenants, and General Fund Housing and Private Housing, which fall under the General Fund and is funded via the Council Taxpayer.

The report outlined the projected outturn for the HRA based upon the expenditure and income for the first nine months of the financial year.

The Committee noted that there is an underspend in the HRA of £1.7m, which represents approximately 3% of the total HRA budget. It was noted that the Salaries and associated costs within the HRA are currently expected to overspend by some £38k. However, Members were assured that underspend in other areas would offset this overspend. The Service Specific and Office Related (non-pay related budgets) are expected to carry an underspend of £467k. Members were pleased to note that the projected additional income is anticipated to provide an additional £1.6m to the HRA account. Building Maintenance has been projected to overspend by £183k, as a result of the HRA being utilised for the maintenance of public housing stock and costs associated with materials, sub-contractors and tipping charges. Members noted that there is an overspend on the Revenue Contribution to Capital, as a result of an increase in agency posts and the complete utilisation of the HRA RCCO.

The Committee noted that the HRA Working balances at the end of 2015/16 stood at £19.8m. The majority of this funding is earmarked to fund the WHQS programme. To date no borrowing has been undertaken to fund the WHQS programme; however the current business plan anticipates borrowing requirement of £57m to fully deliver the programme.

The spend to date for the first 9 months on the HRA Capital Programme is £18.9m against a full year budget of £38.6. 28% (£5.4m) of the spend related to carried forward contracts from previous years.

A summary of the internal and external works totalled £15.3m, the remaining spend is on fees (£1.6m), adaptations (£408k), policy voids (£1.1m) and garages (£417k).

Members thanked the Officer for the report and discussion ensued. Clarification was sought on the agency staff employed and the roles they perform. It was noted that they are usually staff in specialist roles such as surveyor or Clerk of Works, and are often only required for a short-term.

Members discussed the increase in expenditure on Building Maintenance. It was explained that there has been more work undertaken by the in-house team, therefore this has had an impact on that particular budget allocation. However, Members were assured that this will be adjusted for next year.

The Committee thanked the Officers for the report and unanimously noted the contents.

The meeting closed at 7.26 pm.

Approved as a correct record and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 6th June 2017, they were signed by the Chair.

CHAIR