



## CABINET

### MINUTES OF THE REMOTE MEETING HELD VIA MICROSOFT TEAMS ON WEDNESDAY, 10TH FEBRUARY 2021 AT 10.30 A.M.

#### PRESENT:

Councillor P. Marsden (Leader) - Chair

#### Councillors:

S. Cook (Social Care), N. George (Waste and Public Protection), C. Gordon (Corporate Services), S. Morgan (Economy and Enterprise), L. Phipps (Homes and Places), J. Ridgewell (Environment and Infrastructure), E. Stenner (Performance and Customer Services) and R. Whiting (Learning and Achievement).

#### Together with:

C. Harry (Chief Executive), R. Edmunds (Corporate Director – Education and Corporate Services), D. Street (Corporate Director – Social Services and Housing) and M.S. Williams (Interim Corporate Director – Communities).

#### Also in Attendance:

L. Allen (Principal Group Accountant – Housing), S. Couzens (Chief Housing Officer), L. Donovan (Head of People Services), S. Isaacs (Rents Manager), S. Richards (Head of Education Planning and Strategy), E. Townsend (Health and Safety Manager), M. Williams (Interim Head of Property Services), F. Wilkins (Housing Services Manager), S. Harris (Head of Financial Services and S151 Officer), R. Tranter (Head of Legal Services and Monitoring Officer), C. Evans (Committee Services Officer).

G. P. Jones – Wales Audit Office

## RECORDING AND VOTING ARRANGEMENTS

The Leader reminded those present that the meeting was being filmed but would not be live streamed, however a recording would be available following the meeting via the Council's website – [Click Here To View](#). She advised that decisions would be made by Microsoft Forms.

### 1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

### 2. DECLARATIONS OF INTEREST

Councillor N. George declared a personal interest in agenda item 8 – Housing Revenue Account Charges – 2021/22 as he rents a Council owned garage but was able to remain and take part during its consideration.

**3. CABINET – 27TH JANUARY 2021**

RESOLVED that the minutes of the meeting held on 27th January 2021 were approved as a correct record.

**4. CABINET FORWARD WORK PROGRAMME – TO NOTE**

Cabinet were provided with the Cabinet Forward Work Programme, which detailed the scheduled reports from 10th February 2021 to 24th February 2021. Members were reminded that the Cabinet Forward Work Programme is a working document and therefore subject to change.

Following consideration and discussion, it was moved and seconded that the Forward Work Programme be noted. By a show of hands this was unanimously agreed.

RESOLVED that the Cabinet Forward Work Programme be noted.

**5. LEGIONELLA CONTROL POLICY**

The report sought Cabinet approval of the Legionella Control Policy.

It was noted that 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.

Cabinet thanked the Officer and Cabinet Member for the report and discussion ensued.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By way of electronic voting this was unanimously agreed.

RESOLVED that for the reasons contained in the Officer's Report the Legionella Control Policy attached at Appendix 1 of the report be approved.

**6. CYCLE TO WORK SALARY SACRIFICE SCHEME**

The report sought Cabinet agreement to increase the current limit on the Cycle to Work salary sacrifice scheme.

It was noted that 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.

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.

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).

It was noted that 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.

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.

Cabinet thanked the Officer and Cabinet Member for the report and discussion ensued.

Cabinet discussed the report at length and raised queries around the provision of travelling expenses for bicycle users. Officers explained that there is no current provision in place for the payment of expenses for bicycle users, and guidance is provided by HMRC, however, as part of the Corporate Reviews, a number of Policies will be reviewed, which will include mileage expenses and tax relief for Agile Working.

A Member, in noting the significant benefits to the scheme, which include an increased demand in bicycles since the pandemic and more people walking, running and cycling, as well as the Council's priority to reduce the carbon footprint and support for active travel, felt that the recommended £3,000 limit may not be sufficient for many electric bicycles and therefore proposed an amendment to increase the limit to £5,000.

Following consideration of the Officers report it was moved and seconded that subject to an amendment to recommendation 3.1 in that the limit for the cycle to work salary sacrifice scheme be increased to £5,000 rather than the £3,000 recommended within the report.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By way of electronic voting this was unanimously agreed.

RESOLVED that for the reasons contained in the Officer's Report and subject to the aforementioned amendment: -

- i) the increase of the limit for the Cycle to Work Salary Sacrifice Scheme from the limit of £1,000 to £5,000 be agreed;
- ii) the Council be appointed as an 'Introducer Appointed Representative' be agreed.

## **7. CAERPHILLY COUNTY BOROUGH COUNCIL – ANNUAL AUDIT SUMMARY 2020**

Cabinet welcomed Mr G. Jones from the Wales Audit Office who provided Cabinet with a detailed overview of the report and explained that since the Spring of 2020, the ongoing pandemic has impacted upon the audit work of the Wales Audit Office (WAO) and it was acknowledged that there is a huge strain on public services. As a result, the WAO have reshaped their work programme, and found new ways of working to reduce its impact on public bodies' response to COVID-19, while still meeting statutory duties.

The report, which was considered by the Audit Committee on 26th January 2021 presented Cabinet with the Audit Wales Caerphilly County Borough Council Annual Audit Summary 2020.

It was noted that 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.

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

It was noted that the audit summary forms part of the Auditor General for Wales' duties.

Cabinet thanked the Officer and Cabinet Member for the report and discussion ensued.

Cabinet discussed the report at length and in highlighting the significant cultural changes that the Council is undertaking through the Transformation agenda and Corporate Reviews, sought clarification that the Wales Audit Office was in support of the agenda. Mr Jones explained that with any change agenda comes several risks, however, with the new approach undertaken by the Wales Audit Office, allows a new working relationship in which advice and reviews can be undertaken alongside progress and provide real time advise and reviews. Members were assured however that the working relationship remains professional with clear roles between the Council and Wales Audit Office.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By way of electronic voting this was unanimously agreed.

RESOLVED that for the reasons contained in the Officer's Report the content of the Audit Wales Report be noted.

## **8. HOUSING REVENUE ACCOUNT CHARGES – 2021/2022**

Councillor N. George declared a personal interest in agenda item 8 – Housing Revenue Account Charges – 2021/22 as he rents a Council owned garage but was able to remain and take part during its consideration.

The report, which was considered by the Housing and Regeneration Scrutiny Committee on 26th January 2021 sought Cabinet decision on the increased Council Housing rent charges proposed within the 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.

It was noted 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. Council tenants are charged rent over a 48-week basis but The Welsh Government (WG) base their rents on a 52-week basis so the report showed the 52-week equivalent.

Cabinet noted that the previous September's Consumer Price Index (CPI) inflation figure was 0.5%. The policy therefore allows a maximum of 1.5% increase on the total rental income. However, the Business Plan has assumed a rent increase of 2.5% for 2021/22 to 2024/25.

Cabinet noted that there was limited time to consider 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.

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 mean that affordability becomes difficult to measure. Unfortunately, due to the Covid pandemic, the working group could not progress to the extent desired, as resources were prioritised elsewhere. However, some progress was 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 16th 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 the report.

Cabinet thanked the Officer and Cabinet Member for the report and discussion ensued.

Cabinet discussed the report at length and queried the implications of not increasing the rent. Officers explained that whilst the pandemic has resulted in underspends in a number of areas, a rent increase would result in securing works for the WHQS and HRA and future proof the programme. In addition, Members were assured that the investment into the Caerphilly Cares Scheme has resulted in an increase in Housing Support staff, who can provide advice and support to maximise income for Council tenants.

Following consideration and discussion, it was moved and seconded that the recommendation in the report be approved. By way of electronic voting and in noting there was 1 abstention, this was agreed by the majority present.

RESOLVED that for the reasons contained in the Officer's Report an increase of 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 be agreed.

The meeting closed at 11.30am

Approved and signed as a correct record subject to any corrections made at the meeting held on 24th February 2021.

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CHAIR