



POLICY AND RESOURCES SCRUTINY COMMITTEE

MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH ON TUESDAY, 20TH JANUARY 2015 AT 5.30 P.M.

PRESENT:

Councillor H.W. David - Chair
Councillor S. Morgan - Vice Chair

Councillors:

L. Binding, C.J. Cuss, Miss E. Forehead, J.E. Fussell, D.M. Gray, C. Hawker, Ms J.G. Jones,
G. Kirby, A. Lewis, C.P. Mann, D. Rees, J. Taylor

Cabinet Members:

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

Together with:

N. Scammell (Acting Director of Corporate Services and Section 151 Officer), S. Couzens
(Chief Housing Officer), P. Davy (Head of Programmes), G. Hardacre (Head of Workforce and
Organisational Development), S. Harris (Acting Head of Corporate Finance), C. Jones (Head
of Performance and Property), D. Titley (Corporate Customer Service Manager), K. Williams
(Private Sector Housing Manager), M. Jennings (Housing Strategy Officer), J. Jones
(Democratic Services Manager) and R. Barrett (Committee Services Officer)

Also present:

Councillor M. Adams, Councillor N. Dix, Councillor G. Johnston, G. Enright (Unison Branch
Secretary), R. Mann (United Welsh Housing Association), K. Shaw (Local Resident)

1. CHAIR'S WELCOME

The Chair introduced the evening's proceedings, and welcomed a number of speakers in
attendance at the meeting.

Mr Gary Enright, Unison Branch Secretary, was in attendance to provide the Trade Unions'
response to a number of the reports on the meeting agenda.

Councillors Nigel Dix and Councillor Gary Johnston were present to speak in relation to
Agenda Item 8 (Pontllanfraith House) and Agenda Item 9 (Opening Hours of Customer
Service Centres and Newbridge Cash Office) respectively.

Local resident Mr Ken Shaw was also in attendance to speak regarding Agenda Item 17 (Update in Respect of Employee Surveillance).

During the course of the meeting, Councillor Mike Adams, who was present to observe the proceedings, also addressed the Committee in respect of Agenda Item 8 (Pontllanfraith House).

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors R. Saralis and Mrs J. Summers.

3. DECLARATIONS OF INTEREST

During the course of the meeting, a declaration of interest was received from Councillor L. Binding and is detailed with the respective item.

4. MINUTES – 11TH NOVEMBER 2014

RESOLVED that the minutes of the Policy and Resources Scrutiny Committee held on 11th November 2014 (minute nos. 1 – 15) be approved as a correct record and signed by the Chair.

5. MINUTES – 8TH DECEMBER 2014

RESOLVED that the minutes of the Special Policy and Resources Scrutiny Committee held on 8th December 2014 (minute nos. 1 – 9) be approved as a correct record and signed by the Chair.

6. CONSIDERATION OF ANY MATTER REFERRED TO THIS COMMITTEE IN ACCORDANCE WITH THE CALL-IN PROCEDURE

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

7. REPORT OF THE CABINET MEMBERS

The Scrutiny Committee received reports from Cabinet Members D.T. Hardacre, Mrs C. Forehead, G. Jones and Mrs B. Jones

Councillor D.T. Hardacre, Cabinet Member for Performance and Asset Management, advised that he would provide comment in respect of Agenda Item 8 (Pontllanfraith House) when the item was considered by the Committee.

Councillor Mrs C. Forehead, Cabinet Member for HR and Governance/Business Manager, presented her report and advised Members that the Authority's revised Whistleblowing Policy had recently been implemented. The Council have been invited to join Public Concern at Work's "First 100" campaign, which appeals to organisations to sign up to the principles of the statutory Code of Practice for whistleblowing arrangements. With regard to the National Pay Negotiations, it was explained that agreement had been reached on a revised package, and that the first consolidated one-off payment had been made to Council staff in December 2014.

Members asked that their appreciations to Payroll staff in achieving this short payroll deadline be placed on record.

Councillor G. Jones, Cabinet Member for Housing, presented his report and advised the Committee that there were further developments in respect of the Welsh Quality Housing Standard, which would be discussed during consideration of Agenda Item 11 (Review of WHQS Investment Strategy and HRA Capital Programme 2015/16).

The Committee were informed that additional temporary accommodation for the homeless is being developed on behalf of the Council by United Welsh Housing Association. This will provide 17 units of accommodation for single persons and reduce the requirement for the authority to utilise B&B facilities for such individuals. The facility being developed is Maes-Y-Derwen in Tredomen. The Cabinet Member confirmed that he would advise Members once the timeline for completion has been established.

It was explained that a recent Wales Audit Office report has been released on the impact of Welfare Reform changes on social housing tenants in Wales and is available on the WAO website. The report states that the changes to Housing benefits will affect a greater proportion of social tenants in Wales than England or Scotland. The Cabinet Member referenced the work of the Tenant Support Officers, who are now accredited energy advisors and are providing energy saving advice to tenants in addition to other support.

Members were also informed that the new Housing Allocations Policy is currently out for formal consultation until 23rd February 2015. The Policy will help support the introduction of the Common Housing Register which will simplify access to social housing, and result in prospective tenants only being required to complete one application form to be considered for all social housing within the county borough.

Councillor Mrs B. Jones, Cabinet Member for Corporate Services, presented her report and informed Members that the widespread consultation process on the 2015/16 draft savings proposals had now ended. A report was due to be presented to Cabinet on 4th February 2015, which would seek endorsement of these final savings proposals, prior to consideration by Special Council on 25th February 2015.

Members were informed that the Council's ICT department had successfully retained their ISO accreditation, and that a number of IT applications had been successfully upgraded, with training on these new packages provided to staff. There had also been success in Procurement, with Liz Lucas, Head of Procurement, recently receiving a Fellowship of Procurement Award from the University of South Wales. Members congratulated Mrs Lucas and the ICT department on their achievements.

8. CABINET REPORTS

There had been no requests for any of the Cabinet reports to be brought forward for discussion at the meeting.

REPORTS OF OFFICERS

Consideration was given to the following reports.

9. UPDATE REPORT ON THE DEVELOPMENT OF A MODEL FOR INCREASING AFFORDABLE HOUSING PROVISION

In that a representative from United Welsh Housing Association was present to speak on the report, the item was moved forward on the agenda.

During the course of the debate on this item, Councillor L. Binding declared a personal and prejudicial interest in that he lives adjacent to a housing development referenced in the report, and left the room during consideration of this item.

Colin Jones, Head of Performance and Property, together with Richard Mann, Director of Development at United Welsh Housing Association, presented the report to Members. The report provided an update in respect of the development of a model for increasing affordable housing, and sought Members' views prior to its presentation to Cabinet.

On 22nd January 2014, Cabinet approved progression of the development of this model, and the latest report provided an update on progress made to date, including details of the proposed sites, indicative numbers of houses to be provided, expected returns and a description of success measures. A further Cabinet decision would be required to progress with the model on the sites identified in the report in an effort to increase housing supply within the county borough.

It was explained that if formally adopted, the model will deliver a wide range of affordable housing in partnership with United Welsh and the Seren Group whilst delivering a revenue income for the local authority.

The report outlined two pilot sites that are being considered for the model, both within areas of housing pressure, namely Watford Road, Caerphilly, and Windsor Colliery, Abertridwr. The report detailed the background relating to these two sites and summarised the views of local ward members, together with a number of planning considerations.

Discussion of the report ensued and Officers clarified a number of details in regards to the pilot sites. Members raised concern regarding the planned size of some housing units and it was confirmed that this matter would be addressed via the usual planning process.

In response to a Member query regarding the list of report consultees, Officers confirmed that they would check as to whether the clerk to Aber Valley Community Council had been consulted. A query was raised regarding the creation of additional road access into housing sites and Officers outlined the process relating to this. Members also commented on a need to retain community facilities within the pilot sites

Following consideration of the report, it was moved and seconded that the following recommendations be referred to Cabinet for consideration. By a show of hands (and in noting there was one abstention), this was agreed by the majority present.

RECOMMENDED to Cabinet that:-

- (1) The development of the leased model at Watford Road, Caerphilly, and Windsor Colliery, Abertridwr, be approved;
- (2) A further report be submitted to the Policy and Resources Scrutiny Committee on the actual results of the pilot exercise.

10. UPDATE IN REQUEST OF EMPLOYEE SURVEILLANCE

Following a Member's request, this report was brought forward from the list of information items as an item for discussion, and in that a member of the public was present to speak regarding the matter, was moved forward on the agenda.

The Chair of the Policy and Resources Scrutiny Committee introduced the report, which updated Members in respect of the Authority's position on employee surveillance. It was explained that concerns surrounding employee surveillance were reported to the Policy and Resources Scrutiny Committee on 16th April 2013. At that time, the use of employee

surveillance was put on hold until a number of actions were successfully concluded in respect of an update of policy, to include engagement with the Trade Unions, the implementation of a robust procedure, to include impact assessments, followed by a formal procurement process.

Since that date, Wales Audit Office (WAO) have presented the findings of a review into employee surveillance undertaken by Caerphilly County Borough Council, which were appended to the report. More recently the Information Commissioner's Office (ICO) have published their findings in respect of a self-referral of a data protection breach reported to them in November 2013, relating to employee surveillance activity undertaken prior to April 2013.

On 11th June 2014, the Audit Committee were advised that due to the implications of the Medium Term Financial Plan (MTFP) and the requirement for Human Resources to focus on the downsizing of the organisation due to the significant savings required by the Authority, the review of the current arrangements around employee surveillance was not a priority for the foreseeable future. In addition to a review of the current arrangements, a formal procurement process would need to be undertaken before employee surveillance could be undertaken in the future. This is currently not a priority for the Authority's Procurement Team who are heavily involved in the Welsh Housing Quality Standard (WHQS) programme and have a full timetable of commitments for next year.

Furthermore, it is considered that the future use of employee surveillance would be extremely limited. As a result, the report advised that for the foreseeable future, the review of the current arrangements will be held in abeyance and the use of employee surveillance will remain on hold.

The Chair emphasised that should the matter of employee surveillance resuming arise for consideration in the future, the Trade Unions would be involved in the development of further robust procedures regarding this process.

The Trade Unions were invited to respond to the report, and Mr Enright referenced the employee surveillance activity prior to April 2013 that had been examined by the ICO. He referred to the media interest in the matter and called for the Authority to learn from this experience. Mr Enright made reference to the WAO report findings and the need to engage the Trade Unions in processes and policies relating to employee surveillance, and also raised concern with procurement costs detailed in the review.

Mr Ken Shaw, a member of the public, was then invited to address the Scrutiny Committee in relation to the report. Mr Shaw read out a prepared statement to the Committee, in which he hoped that the Authority would be committed to a more robust system in the future. He referenced the WAO review of employee surveillance and highlighted a number of the report findings. Finally, Mr Shaw stated that employee surveillance should only be used as a last resort and for valid reasons, and called for misuse of the process to be dealt with via the Authority's disciplinary procedures.

Mr Enright and Mr Shaw were thanked for their representations and discussion of the report ensued. An additional recommendation to the report was moved and seconded, in that should the employee surveillance process be resumed in the future, that the matter initially be brought before the Committee for consideration.

Following consideration of the report, Members received and noted its contents and the fact that employee surveillance will not be undertaken in the foreseeable future. It was unanimously agreed that should the employee surveillance process be resumed in the future, that a report on the matter be firstly presented to the Policy and Resources Scrutiny Committee (and thereafter Cabinet) for consideration.

11. PONTLLANFRAITH HOUSE

Colin Jones, Head of Performance and Property, presented the report, which provided further information in respect of costs prior to a formal decision to close Pontllanfraith House as part of the Council's Land and Buildings Asset Rationalisation Programme.

This report was a follow-up to the reports presented at the Policy and Resources Scrutiny Committee on 17th June 2014 and 8th December 2014. Those reports established the rationale behind the proposal for closure of Pontllanfraith House and the potential impact on Council services and public access to those services, financial implications, employment issues and equality implications. At the meeting of 8th December 2014, the Policy and Resources Scrutiny Committee, whilst continuing to support the closure in principle, requested that further information be provided to inform the scrutiny process.

It was explained that the latest report detailed all anticipated additional costs in respect of the proposal. Members' attention was directed to section 4.3 of the report, which explained that the total useable office accommodation per employee in CCBC is the highest amongst Welsh local authorities and that office accommodation costs are also above the Wales average. It is estimated that achieving the Wales average figure for useable office accommodation per employee would save the Authority around £1m per year.

The report provided further information in respect of the preferred Council buildings to be used for the relocation of staff, including information on the current condition of each of these buildings and any improvements required to accommodate the relocation of staff. As additional information to the report, it was advised that it was likely that the Area Housing Team (based in Pontllanfraith House) would relocate to a premises within the immediate area which would likely be in Blackwood Town Centre.

The report addressed the possible impact of the closure of Pontllanfraith House on local businesses and the surrounding area. It was also explained that as part of the public consultation process regarding the MTFP, 94% of individuals who participated in the consultation agreed with the general approach towards the rationalisation of Council properties.

The Trade Unions were invited to respond to the report, and Mr Enright commented on the need for the Council to uphold a duty of care towards employee working conditions, referencing a number of comments received from staff regarding the current condition of Pontllanfraith House.

Mr Enright reiterated the report's view that the site's future development would mitigate any short-term losses and have a long-term positive impact on the surrounding area. The Trade Unions supported the programme of asset rationalisation as a key part of achieving the savings required by the MTFP, with Mr Enright referencing substantial savings achieved by neighbouring local authorities utilising this method. Mr Enright also commented that the potential savings achievable by the proposed closure of Pontllanfraith House could safeguard a number of posts within the Authority, and Members were asked to take this into consideration.

Councillor Nigel Dix, Blackwood Ward Member, was then invited to address the Scrutiny Committee in respect of the proposals.

Councillor Dix referenced a number of points within the report and raised concerns that Pontllanfraith House had been selected due to the site's potential as a future housing site location. He commented that asbestos, cited as a high concern in Pontllanfraith House, was also present in other corporate offices across the Authority. He also suggested that the former Post Office site in Blackwood Town Centre could be considered as a replacement site for some local Council services.

Councillor Dix made reference to the improvements required to other corporate offices to accommodate relocated staff, and raised concerns regarding the suitability of Ty Duffryn as office accommodation, due to its location on an industrial estate. Councillor Dix queried whether the estimated sale value of Pontllanfraith House could be affected by variable economic conditions. He also queried the potential sale value of other corporate offices and asked Members to take into account the Council services and facilities that could be affected by the closure of Pontllanfraith House.

Nicole Scammell, Acting Director of Corporate Services and Section 151 Officer, responded to Councillor Dix's comments and explained the rationale behind the proposal to close Pontllanfraith House. It was explained that of all the main corporate offices within the Authority (except for Penallta House), Pontllanfraith House has the highest running costs and a required capital investment of circa £5m, which included the high cost of asbestos removal.

Regarding the feasibility of alternative Council offices being considered for closure, the Acting Director explained that as the Council's IT Data Centre had been relocated to Tredomen House in 2008, it would not be cost-effective to relocate this service elsewhere or demolish and sell part of the site. The capital cost of the IT Data Centre was £1.3m a number of years ago.

Discussion of the report ensued and Members raised concerns regarding the suitability of the corporate offices identified to accommodate the relocation of staff. Concerns were raised regarding the schedule of maintenance and refurbishment works undertaken within Pontllanfraith House in the past and whether this had contributed to the current required level of repair works. A concern was also raised that the relocation of Council departments across a number of sites could have a negative impact on the interaction between closely linked services.

The Head of Performance and Property responded to Members' comments and explained that there was insufficient budget available to fund the £5m of capital investment required to bring Pontllanfraith House up to standard. Members queried whether other corporate offices in need of repair could be considered for closure instead. The Head of Performance and Property advised that further closures could take place in addition to Pontllanfraith House in the future as part of the Asset Rationalisation Programme. He reminded Members that there had been previous corporate office closures. This was not the first. He also referred to the public-facing departments currently based at Pontllanfraith House.

A Member raised concerns that the relocation of services based within Pontllanfraith House could result in a sense of isolation to residents living within the former Islwyn area of the county borough. The Member also called for a need to examine spending across the Authority, including a review of subsidised services.

Members commented that some Council departments had undergone several relocations in the past and sought assurances that such relocations would cease. Officers explained that wherever possible, a planned approach would be adopted and disruption kept to a minimum.

The Cabinet Member for Performance and Asset Management commented on the need to safeguard posts within the Authority and expressed concern for the welfare of staff working in the current conditions in Pontllanfraith House. He also advised the Committee that it was possible that further works could be needed above the estimated capital investment of £5m and therefore it would be counter-productive to continue with such works.

Following consideration of the report, it was moved and seconded that Members continue to endorse the proposal to close Pontllanfraith House. By a show of hands, this was agreed by the majority present.

Following the conclusion of deliberations on this matter, Councillor Michael Adams, Local Ward Member for Pontllanfraith, asked for permission to address the Committee. He referenced the history of Pontllanfraith House and commented on a need to retain the legacy of the building.

12. ADJOURNMENT

Following consideration of this item, it was agreed at 6.55 pm that the meeting adjourn for a short recess. The meeting reconvened at 7.00 pm.

13. OPENING HOURS OF CUSTOMER SERVICE CENTRES AND NEWBRIDGE CASH OFFICE

David Titley, Corporate Customer Services Manager, presented the report, which provided further information in relation to the opening hours of Customer Service Centres and the Cashiers Service within Newbridge Library.

At a special meeting of the Policy and Resources Committee on 8th December 2014, Members considered proposals to achieve £250,000 of savings within Customers Services between 2015/16 and 2016/17, as part of the Medium Term Financial Plan.

Included in these savings proposals were non-staffing costs of £89,348, including the relocation of the Blackwood Customer Service Centre to Blackwood Library, together with other non-staffing costs. Staffing costs totalled £160,652 and included vacancy management via the deletion of two vacant posts, the reduction of the Agency Staff budget and a reduction in staffing levels of 3.7 full-time equivalent staff.

Members had previously indicated that they wished to retain the present network of Customer Service Centres. However, it was not feasible to maintain current levels of service with this reduction in staffing, and therefore changes would be required in the provision of Customer Services, including opening hours and customer service performance targets, to accommodate this reduction. The original proposals also included the withdrawal of the Cashiers Service at Newbridge Library.

As a result of these considerations at the meeting of 8th December 2014, Officers were asked to identify the implications of all sites opening at 10.00 am rather than 9.30 am (9.00 am in Penallta House) whilst retaining the Cashiers Service at Newbridge Library.

Officers subsequently examined the implications of opening all sites at 10.00 am, whilst still achieving the same level of staffing reduction as detailed in the earlier report. These results were included in the latest report, together with further information on activity levels and staffing levels, and three options were presented for Members' consideration:-

- (1) Endorse the original proposals as presented to the Policy and Resources Committee on 8th December 2014 (achieve a £250,000 budget saving via non-staffing costs of £89,348 and staffing costs of £160,652, including the withdrawal of the Cashiers Service at Newbridge Library);
- (2) A modification of the proposals to include the retention of a reduced Cashiers Service in Newbridge, and all Customer Service Centres to open at 10.00 am;
- (3) A modification of the proposals to include the retention of a reduced Cashiers Service in Newbridge, with Bargoed, Risca and Pontlottyn Customer Service Centres to close at 3.30 pm rather than 4.00 pm.

It was explained that the third option was a new proposal which would still generate the required saving in staff hours but that more customers would be affected if the sites closed early rather than opened late. Early closing of these three sites would release enough staffing time to enable the service in Newbridge to be retained, although it would still result in a reduction in opening hours at that site.

At the meeting of 8th December 2014, Officers were also asked to consult staff and customers on the proposed changes. As the consultation could not be completed due to the Christmas closedown and low customer numbers in the week prior to that, a verbal report on feedback was provided at the meeting. Feedback from the public consultation indicated that early closing of the sites was preferable to late opening. Officers advised that opening later could have a significant impact on customer service provision and waiting times because workload would be moved into the busier part of the day.

The Trade Unions were invited to respond to the proposals, with Mr Enright stating that the main concern was to ensure that staff were not adversely affected by these proposals. He also raised concern regarding the consultation process with the Trade Unions and requested that they be thoroughly consulted on such matters

Councillor Gary Johnston, Newbridge Ward Member, was invited to address the Scrutiny Committee in respect of the Newbridge Cashier Service. He advised that since the last meeting, Newbridge had received a visit from HRH Prince Charles, which had helped raise public awareness of the services located within Newbridge Library. Councillor Johnston closed his statement by endorsing the latter two options within the report.

Following consideration of the report, and by a show of hands, Members unanimously endorsed the modification of the savings proposals within the original report (to include the retention of a reduced Cashiers Service in Newbridge Library and that Bargoed, Risca and Pontlottyn Customer Service Centres close at 3.30 pm rather than 4.00 pm) and that the comments of the Trade Unions regarding the consultation process be noted.

14. DRAFT SAVINGS PROPOSALS 2015/16

Stephen Harris, Interim Head of Corporate Finance, reminded Members that a report was presented to the Special Policy and Resources Scrutiny Committee on 8th December 2014, which provided details of the provisional 2015/16 Local Government Settlement, an updated Medium Term Financial Plan for the period 2015/16 to 2017/18, details of proposed savings for 2015/16 totalling £12.208m and a proposal to increase Council Tax for 2015/16 by 3.9%.

The report was originally considered and endorsed by Cabinet on 29th October 2014. The proposals in the report are currently subject to a final period of consultation prior to a further report being presented to Cabinet on 4th February 2015 and final 2015/16 budget proposals being considered by Special Council on 25th February 2015. As part of this final consultation process further Scrutiny Committee meetings took place to consider the draft 2015/16 savings proposals.

At the Special Policy and Resources Scrutiny Committee meeting on 8th December 2014, Members raised concerns that the views of the other Scrutiny Committees regarding the list of draft 2015/16 savings proposals were not available for consideration. Members explained that it was difficult to consider whether or not to support a saving without being aware of the comments made at other Scrutiny Committee meetings regarding the proposals.

It was agreed that the draft minutes of these meetings be presented at the next meeting of the Policy and Resources Scrutiny Committee on 20th January 2015. These were attached to the report for Members' consideration and Officers summarised the outcome of these discussions relating to the draft 2015/16 savings proposals.

It was explained that there were some proposals not supported at the Special Regeneration and Environment Scrutiny Committee meeting of 1st December 2014, specifically those relating to the proposed deletion of a vacant Environmental Health Officer post, the proposed reduction in the cleansing budget and reductions in the carriageway and footway resurfacing budget. At the Special Policy and Resources Scrutiny Committee meeting of 8th December 2014, concerns were raised regarding proposals to close Pontllanfraith House and proposed savings within Customer Services. The draft savings proposals were noted at the Health, Social Care and Wellbeing Scrutiny Committee meeting of 2nd December 2014. Officers verbally reported the outcome of discussions at the Education for Life Scrutiny Committee meeting of 13th January 2015 and advised that the savings proposals were endorsed by that Committee.

The Trade Unions were invited to respond to the report and Mr Enright referred to the appended table of savings proposals for 2015/16 which included the outcome of the initial consideration of each proposal at previous Scrutiny meetings. Mr Enright suggested that it would have been useful for the latest comments to be incorporated into the list of savings proposals prior to the meeting.

Members also raised concerns that some comments received had not been reflected in this list and that proper consideration could not be given to the proposals. Officers advised that a final version which was due to be presented to Cabinet on 4th February 2015 and Special Council on 25th February 2015 would include an updated version of the table, incorporating all comments received at the Scrutiny meetings.

Following consideration of the report, and by a show of hands and a majority vote (and in noting that there were four abstentions), and subject to the appended table of proposed savings being updated with Members' comments prior to presentation to Cabinet, Members endorsed the list of draft savings proposals for 2015/16.

15. REVIEW OF WHQS INVESTMENT STRATEGY AND HRA CAPITAL PROGRAMME 2015/16

Phil Davy, Head of Programmes, presented the report, which had been previously considered by the Caerphilly Homes Task Group on 11th December 2014. The report advised Members of the revised Welsh Housing Quality Standard (WHQS) investment strategy and set out the Housing Revenue Account (HRA) capital programme budget for 2015. Members' views were sought on the report prior to its presentation to Cabinet.

Members were informed that major slippage during the 2014/15 financial year has necessitated a review of the WHQS investment strategy over the remaining five years of the programme. This slippage will cause additional pressure due to the increase in the volume of properties that will need to be completed over a shorter timescale. In order to maintain the principle of separation of internal and external works there are a large number of community area sequence changes, mainly affecting the external work. The HRA capital programme budget has allocated the necessary resources based on the Savills cost plan to deliver the programme during 2015/16 to meet the revised WHQS Investment Strategy.

It was explained that due to these factors, it had been necessary to revise the work programme downwards for the current financial year to 1683 properties, which reflects the number of works packages that will have been committed. However a number of these works packages were expected to run on into 2015/16 and the projected outturn position in March 2015 had worsened since the time of writing the report, with around 1000 completions now anticipated. The implications of the over-run on the 2015/16 programme will be assessed in April 2015.

Discussion of the report ensued and Officers responded to Member's queries regarding the programme of internal and external works in specific areas of the county borough. Members

sought reassurances that the WHQS programme would be completed by 2020, with it explained that the revised programme would be reviewed during the first quarter of 2015/16 and that any subsequent contingency plans would be implemented following this review. It was also clarified that progress on the matter would be reported to the Caerphilly Homes Task Group and Policy and Resources Scrutiny Committee.

It was moved and seconded that the following recommendation be referred to Cabinet for consideration. By a show of hands, this was unanimously agreed.

RECOMMENDED to Cabinet that for the reasons outlined in the report, the revised investment strategy and the capital programme for 2015/16 that flows from the strategy be supported.

16. HOUSING REVENUE ACCOUNT CHARGES – 2015-2016

Shaun Couzens, Chief Housing Officer, presented the report, which provided details of the proposed increased charges which are intended to be effective for the Housing Revenue Account in 2015-16. The report sought the views of Members prior to its presentation to Cabinet.

The report summarised the process involved in preparing the Housing Revenue Account (HRA) budget. It was explained that the uplift policy has recently been changed as part of the new Policy for Social Housing Rents, which will apply to local housing authorities from April 2015. The policy sets a target rent band for each Authority, with average weekly rents being adjusted in line with this band. The new uplift policy will now use the previous September Consumer Price Index (CPI) inflation figure as opposed to the Retail Price Index (RPI) formerly used, and will also apply a 1.5% real increase to the average local authority rent which will be fixed for five years. Therefore the average Welsh increase proposed by WG is 2.7%, with a minimum increase of 3.5% necessary for this Authority in order to comply with the rent banding envelope, meet the Welsh Housing Quality Standard and ensure that the Council's business plan remains viable. The proposed increase in service charges were also highlighted to members which impacted on sheltered schemes, meal charges and garages in particular. Members were advised that the proposed 2% increase was again in line with projections made within the Housing Business Plan which has been accepted by WG.

Discussion of the report ensued and it was agreed that information regarding the financial implications of this rent increase on the Welfare Reform Act be forwarded to Members. A query was raised as to the consultation process regarding the increase in service and meal charges at sheltered housing accommodation and whether this was a matter for consideration by the Health, Social Care and Wellbeing Scrutiny Committee. It was confirmed that these charges did not come under the remit of Social Services and were the responsibility of other departments within the Authority.

Members also discussed the letting and use of Council-owned garages and the number of vacant garages within the Authority's portfolio. An additional recommendation was moved and seconded, in that a report on the letting and use of these garages be prepared and presented to the Committee at a future point in time. By a show of hands, this was unanimously agreed.

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

RECOMMENDED to Cabinet that:-

- (1) a minimum rent increase of 3.5% per property be applied from April 2015 to ensure compliance with the new rent policy and to maintain the viability of the current business plan;

- (2) the variable service charge at sheltered complexes with communal facilities be set at £27.63 (bronze service), £30.03 (silver service) and £33.53 (gold service) over a 48 week basis from April 2015;
- (3) the variable service charge in the four declassified sheltered schemes without communal facilities be set at £10.11 (bronze service), £12.51 (silver service) and £16.01 (gold service) over a 48 week basis from April 2015;
- (4) the service charge payable by residents of Tredegar Court be increased to £63.98 over a 48 week basis from April 2015;
- (5) the meal cost at Tredegar Court be increased to £35.19 based on a 48 week basis from April 2015;
- (6) the guest room charge for sheltered housing complexes be not increased from April 2015;
- (7) the charges at Ty Croeso be determined by the Local Housing Allowance rates that are yet to be announced;
- (8) the garage charges for Council and non-Council tenants be increased to £7.80 based on a 48 week basis from April 2015;
- (9) a report regarding the letting and use of Council-owned garages be prepared for presentation to the Policy and Resources Scrutiny Committee.

17. REVIEW OF NNDR DISCRETIONARY RATE RELIEF POLICY

Stephen Harris, Interim Head of Corporate Finance, presented the report, which provided details of proposed changes to the Authority's Discretionary Rate Relief Policy, and sought the views of Members prior to its presentation to Cabinet.

The report outlined the proposed changes, which include the re-categorisation of some elements of the Policy, the introduction of an appeals procedure and the consideration of potential changes that will generate savings to support the Authority's Medium-Term Financial Plan (MTFP).

It was explained that where a property does not qualify for Mandatory Rate Relief, rating Authorities will consider the award of Discretionary Rate Relief under Section 47 of the Local Government Finance Act 1988. Authorities have discretion to grant relief of up to 100% to certain non-profit making bodies, which must meet certain criteria to be eligible. Mandatory Rate Relief is currently fixed at 80% of the rates payable where the ratepayer is a charity, or trustees for a charity, and the property is wholly or mainly used for charitable purposes. This is fully funded by the Welsh Government National Non-Domestic Rates (NNDR) pooling arrangements.

Where a ratepayer is in receipt of 80% Mandatory Rate Relief, discretionary relief of up to 20% may also be granted, known as Top-Up Discretionary Relief. Members were referred to section 4.5.1. of the report, which proposed the restriction or removal of Top-Up Discretionary Relief under certain circumstances. Sections 4.5.2.to 4.5.4. of the report also detailed the further potential savings achievable by restricting or reducing Top-Up Discretionary Relief in other categories.

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

RECOMMENDED to Cabinet that:-

- (1) As outlined in paragraphs 4.3.1 to 4.3.3 of the report, the 'Miscellaneous Organisations' category be re-categorised and the suggested policy amendments be actioned;
- (2) As outlined in paragraph 4.4 of the report, the Policy be updated to include details of the appeals process;
- (3) Top-Up Discretionary Relief be removed where an organisation occupies one or more rating assessments within the Authority's area, which cumulatively amount to a total rateable value exceeding £100,000;
- (4) That the potential savings as outlined in paragraphs 4.5.2 to 4.5.4 of the report are not supported at this stage in the MTFP process.

18. HALF-YEARLY UPDATE ON IMPROVEMENT OBJECTIVE 6 (2014/15)

Mark Jennings, Housing Strategy Officer, presented the report, which provided Members with a half-yearly update progress made against Improvement Objective 6 (improve availability of public and private sector housing to reduce the number of residents who may become homeless).

Members were informed that good steady progress at the half-yearly stage has been made against several of the actions contained within the Improvement Objective. In terms of overall performance, all risks have been identified, assessed and monitored in accordance with corporate guidance. Two risks have been assessed as being high and one as being medium, with no change in the risk level since the risks were first assessed. The performance of each action has been reviewed, with one action completed, one action deferred pending the availability of external funding, and steady progress being made against the other five actions. A further action has changed in nature and subsequently been closed down. There are seven performance indicators in total, some monitored on a quarterly basis and some on an annual basis, with one indicator closed down, four reported annually, and the remaining two on track to meet their end of year targets.

The completed actions were outlined, which included the successful restructure of the Housing Options and Homelessness Advice team functions to offer a person-centred casework service, including relocating several officers to form a homelessness prevention team. Further restructuring of the team will take place in 2015/16 on receipt of Welsh Government transitional homelessness funding. Full details of the risks, actions and performance indicators were provided in Appendix 1 to the report.

Officers explained that at the 6-month stage, and in view of the overall performance detailed within Section 4 of the report and the performance dashboard appended to the report, the actions against Improvement Objective 6 were therefore judged as being partially successful.

Discussion of the report ensued and Members referred to the partial progress made in working with the prison accommodation service to improve the process whereby prisoners are prepared for release, which had been identified by Officers as an area for improvement. The merits of the overall Improvement Objective were discussed and whether it could be determined to be wholly or partially successful at this time. Officers advised that a further update report on Improvement Objectives would be presented to the Committee in six months' time.

Members raised concerns relating to the process surrounding the housing of prison leavers, together with concerns relating to the housing of homelessness cases, and were advised to

raise these issues with Officers following the meeting. Officers also confirmed that they were meeting with the Probation Service to improve the process whereby prisoners are prepared for release.

Members noted a performance indicator above target which related to credit unions and promoted access to the private rented sector by service users in receipt of benefits, and Officers clarified the process relating to this.

The contents of the report were received and noted. Members reached agreement on the partial success of Improvement Objective 6 and noted that a further update report would be presented to the Policy and Resources Scrutiny Committee in six months' time.

19. REQUESTS FOR REPORTS TO BE INCLUDED ON THE NEXT AVAILABLE AGENDA

There were no requests for reports received.

Discussion took place regarding the number of agenda items being presented to the Policy and Resources Committee for consideration and it was confirmed that this matter was currently being addressed.

20. INFORMATION ITEMS

The Committee noted the following items for information, full details of which were included within the Officers reports. None of the following items were brought forward for review.

- (1) Corporate Services, Miscellaneous Finance and Housing Revenue Account (HRA) 2014/15 Budget Monitoring Report (Period 7);
- (2) 2014/15 Capital Expenditure Monitoring Report (Period 7);
- (3) Whole-Authority Revenue Budget Monitoring Report 2014/15;
- (4) Caerphilly Homes Task Group Minutes - 30th October 2014;
- (5) Caerphilly Local Service Board Minutes - 20th August 2014;
- (6) Summary of Members' Attendance - Quarter 2 - 1st July 2014 to 30th September 2014.

The meeting closed at 7.59 pm

Approved as a correct record and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 3rd March 2015, they were signed by the Chair.

CHAIR