

THE EXECUTIVE

Minutes of the meeting held on 17 February, 2020

- PRESENT:** Councillor Llinos Medi (Chair)
Councillor Ieuan Williams (Vice-Chair)
- Councillors Richard Dew, Carwyn Jones, R. Meirion Jones,
Alun Mummery, Dafydd Rhys Thomas, Robin Williams.
- IN ATTENDANCE:** Chief Executive
Deputy Chief Executive
Director of Function (Resources) & Section 151 Officer
Director of Social Services (for item 5)
Director of Education, Skills and Young People
Head of Democratic Services (for item 4))
Legal Services Manager (RJ)
Rent, Income & Finance Inclusion Team Manager (for item 7)
Policy and Strategy Manager (CWO) (for item 5)
Committee Officer (ATH)
- APOLOGIES:** Councillor R.G.Parry, OBE, FRAGS
- ALSO PRESENT:** Councillors G.O. Jones (Chair of the Partnership and
Regeneration Scrutiny Committee), Dafydd Roberts.
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Prior to considering the business of the meeting, the Chair thanked all the Council's staff who had been involved in responding to the severe weather over the previous two weekends and she commiserated with all householders and businesses who had suffered flood damage as a consequence of the recent storms.

1. DECLARATION OF INTEREST

No declaration of interest was received.

2. URGENT MATTERS CERTIFIED BY THE CHIEF EXECUTIVE OR HIS APPOINTED OFFICER

None to report.

3. MINUTES

The minutes of the previous meetings of the Executive held on 13, 20 and 27 January, 2020 were presented for confirmation.

It was resolved that the minutes of the previous meetings of the Executive held on the following dates be approved as correct –

- 13 January, 2020
- 20 January, 2020
- 27 January, 2020

4. THE EXECUTIVE'S FORWARD WORK PROGRAMME

The report of the Head of Democratic Services incorporating the Executive's Forward Work Programme for the period from March to October, 2020 was presented for consideration and the following changes were noted -

- **New Item**
 - Item 18 – Public Speaking Protocol for Scrutiny (for the 23 March, 2020 meeting)
- **New Items to be included on the Forward Work Programme**
 - Treasury Management Practices (for the 2 March, 2020 meeting)
 - Compulsory Purchase Order Beaumaris Sports and Social Club (for the 23 March, 2020 meeting)
 - Learning Disability Services Joint Budgets

It was resolved to confirm the Executive's updated Forward Work Programme for the period from March to October, 2020 with the additional changes outlined at the meeting.

5. STRATEGIC EQUALITY PLAN 2020-2024

The report of the Head of Function (Council Business)/Monitoring Officer incorporating the Strategic Equality Plan for the period 2020-2024 was presented for the Executive's consideration and comment.

The Director of Social Services as Lead Officer reported that all local authorities are statutorily required to publish a Strategic Equality Plan comprising of equality objectives for each of the protected characteristics – age, disability, gender reassignment, sex, pregnancy and maternity, sexual orientation, race, religion/belief, marriage and civil partnerships. The Plan and its objectives must be reviewed at least every four years. The Authority's current Plan covering the period from 2016 to 2020 comes to an end on 31 March, 2020 by which time a new plan for the period 2020-2024 must be published. The Purpose of the Plan is to set out the steps the Council is taking to fulfil its specific equality duties.

The Policy and Strategy Manager elaborated on the objectives of the Plan which are based on the Equality and Human Rights Commission's report *Is Wales Fairer? 2018*. This report recognises the challenges that need to be addressed on an all Wales basis and defines the long-term ambition which the Council will work towards fulfilling. During 2011/12, the North Wales Public Sector Equality Network developed a set of shared regional objectives which were reviewed to coincide with the preparation of Strategic Equality Plans for 2016-20; work on meeting these objectives is ongoing. In addition, local objectives have been developed with the support of Medrwn Mon's Well-being Engagement Network. Although there are numerous objectives, they are based on identified needs and have been apportioned to services in a balanced way meaning that everyone including Elected Members, has a contribution to make to ensure they are realised. The aim ultimately is to make sure that equality is mainstreamed into the Council's day to day work and is not seen as something separate whilst ensuring also that the Council complies with its duty not to discriminate. An annual report on progress in meeting the priorities/objectives will be prepared with a view to its being scrutinised by the relevant Scrutiny Committee.

Councillor G.O.Jones, Chair of the Partnership and Regeneration Scrutiny Committee reported from the Committee's 4 February, 2020 meeting to which the Strategic Equality Plan had been presented. In considering the report the Committee had noted the statutory

expectations on the Council in terms of publishing equality objectives and how it was proposed these would be met in the next 4 year Strategic Plan. The Committee was advised of and noted the three elements on which the Plan is based - the "Is Wales Fairer?" report; a set of regional objectives, and local objectives, and that draft priorities have been identified under each objective based on local needs which are also aligned with the Council's Corporate Plan. The Committee was also apprised of the Council's procedures for educating staff to ensure they do not discriminate. The Committee had further noted that as they are based on population needs equality plans will vary from county to county. Reference was made during the course of the Committee's discussion to the processes for meeting any new needs that are identified. Having discussed the matter, the Committee had resolved to recommend the Equality Strategic Plan for 2020/24 for the Executive's approval and had also recommended that arrangements are put in place to enable the Partnership and Regeneration Scrutiny Committee to monitor progress on equality annually.

The Chair thanked Scrutiny for its feedback.

It was resolved to recommend to the County Council -

- **That the draft Strategic Equality Plan for 2020-2024 be approved and to authorise Officers in consultation with the Portfolio Holder to complete and publish the Plan by 31 March, 2020.**
- **That arrangements are put in place for the Partnership and Regeneration Scrutiny Committee to monitor progress on equality on an annual basis as a matter of course.**

6. BUSINESS DISCRETIONARY RATES RELIEF POLICY

The report of the Director of Function (Resources)/Section 151 Officer regarding the adoption of a Discretionary Business Rates Relief Framework for Charities and Non-Profit Making Organisations for the financial years up to 31 March, 2026 was presented for the Executive's consideration.

The Portfolio Member for Finance reported that the Discretionary Business Rates Relief Framework has been presented for the Executive's approval on an annual basis and as the document states, Local Authorities in Wales must grant mandatory rate relief to charities provided for within the Local Government Finance Act 1998 (LGFA88) as amended by the Local Government Act 2003. Under the LGFA88, local authorities can also grant discretionary relief or remission from rates up to 100% of the rates payable for properties occupied by charities (20% top-up in addition to 80% mandatory relief) and other non-profit making organisations. On 18 February, 2019 the Executive decided to extend its Discretionary Business Rates Relief Framework – Charities and Non-Profit Making Organisations for the 2019/20 financial year and to conduct a public consultation on the framework with a view to implementing a revised framework (if applicable) on 1 April, 2020. A 3 tier consultation was undertaken under the Council's Consultation and Engagement Plan Quarter 1 which closed on 31 August, 2019 and contact was made with all taxpayers eligible for discretionary relief under the current policy. Although the response was disappointing (only 4 respondents with 2 of those doing so anonymously) the lack of response suggests that there is a general acceptance of the current policy with no aspects being seriously challenged. Having regard to the limited response received, it is therefore proposed that the current policy is not changed but that the practice of extending the policy on an annual basis be replaced by a fixed term period aligned to the quinquennial revaluation cycle. (Although the next non-domestic rates revaluation in Wales will take place in 2021 the proposal is to adhere to the current policy until the subsequent revaluation in 2026). Members can elect to amend the framework during this period but notice of at least one full financial year has to be given to ratepayers.

The Director of Function (Resources)/Section 151 Officer confirmed that the current cost of the scheme to the Council is £64,338 which is covered by a £70k provision in the draft budget for 2020/21.

It was resolved –

- **To adopt a Discretionary Business Rates Relief Framework – Charities and Non-Profit Making Organisations as detailed in Appendix C to the report.**
- **That the Discretionary Business Rates Relief Framework will apply for the financial years up to 31 March, 2026.**
- **To instruct the Director of Function (Resources)/Section 151 Officer to ensure that the administrative procedures before 31 March, 2020 advise relevant charities and non-profit making organisations that the policy will apply from 1 April, 2020 and will cease on 31 March, 2026.**

7. HOUSING RENT HRA AND HOUSING SERVICE CHARGES 2020/21

The report of the Head of Housing Services seeking the Executive's approval for increases in rent and service charges for 2020/21 was presented for consideration.

The Portfolio Member for Housing and Supporting Communities reported that Welsh Government had on 18 December, 2019 confirmed that it had agreed the Welsh Government Policy for Social Housing Rents for 2020/21. The Affordable Housing Supply Review has recommended that a 5 year rent policy be implemented to provide stability and certainty for tenants and it is recommended also that landlords consider value for money alongside affordability. The formula for the annual rent increases will be set at the consumer price index (CPI) of 1.7% as was the value in September, 2019 plus 1%. As the Council's current rent levels are significantly below the intended policy target rents, to achieve convergence with other social housing providers will require that Council housing rents (which currently fall below the policy target rents) are subject to an additional weekly increase of up to a maximum of £2 above inflationary rent increase.

The Portfolio Member for Housing and Supporting Communities highlighted that all local authorities as instructed by the Welsh Government are required to implement the Rent Policy – not to do so would ultimately mean a loss of income for the Authority and affect the services provided. It would also undermine the HRA Business Plan and potentially leave the Authority subject to intervention by Welsh Government. Rejecting this policy could also jeopardise the annual Major Repairs allowance income of £2.66m received from Welsh Government as it could be seen as the Authority not maximising its income generating opportunities.

In response to questions about affordability and potential impact on tenants' ability to pay, the Executive was advised that the proposed increase is lower than in previous years. Additionally, Housing Services have three Financial Inclusion Officers who are available to provide information, advice and support to tenants on financial inclusion issues with a strong focus placed on increasing financial capability and budgeting skills to manage their finances and to access mainstream financial services. Links have also been developed to improve working practices at a strategic and operational level with both internal and external partners such as support and advice organisations, charities and utilities.

It was resolved –

- **To approve the rent increase in line with the Welsh Government target rent based on collection over 51 weeks.**

- That all rents below target of between £0.41 - £4.47 be increased by 2.7% plus an amount up to the maximum of £2.00 per week to bring to target rent towards convergence.
- That all rents below target rent of between £3.87 - £5.01 be increased by 2.7% plus £2.00 per week.
- That the rent for the 3 properties that are above target rent should remain at their current levels.
- That the rent of all garages be increased by 22p per week.
- That the service charges costs as noted within section 3.3 of the report be applied to all tenants who receive the relevant services.

8. EXCLUSION OF THE PRESS AND PUBLIC

It was resolved –

“Under Section 100 (A) (4) of the Local Government Act 1972, to exclude the press and public from the meeting during the discussion on the following item on the grounds that it involved the disclosure of exempt information as defined in Schedule 12A of the said Act and in the Public Interest Test as presented.”

9. RISK BASED VERIFICATION POLICY – BENEFIT

The report of the Director of Function (Finance)/Section 151 Officer seeking the Executive’s support for the introduction of a risk based verification process for the administration of Housing Benefits and Council Tax Reduction was presented.

The Portfolio Member for Finance reported that currently the Benefit Section undertakes the same level of verification in all cases which is the basic level of checks as stipulated by the now redundant Department for Work and Pensions (DWP). As this is labour intensive it makes it more difficult to give extra focus and ability to review cases where the risk of fraud/error is highest. Whilst the DWP has allowed authorities the discretion to implement their own risk based verification processes since 2011, it is not something the Authority has wished to undertake until now. A recent review of processes which has been accompanied by a reduction in Housing Benefit cases has resulted in risk based verification being considered once more. The Benefit Section has also undertaken a review to establish whether processes were being undertaken in the most effective way. The Benefit Section undertook a risk analysis of sample claims over a period which identified categories of claimant where there was a greater risk of changes resulting in claimant error overpayment. The report at Appendix B details the methodology used and the findings therefrom. An Equality Impact Assessment has also been undertaken and is shown in Appendix C to the report.

The Director of Function (Resources)/Section 151 Officer confirmed that the proposal to introduce a risk based verification policy was considered by the Audit and Government Committee at its December, 2019 meeting and the comments made are reflected in the report, policy and methodology. The Officer clarified that as Universal Credit is implemented and the DWP’s grant reduces the Council is seeking to make better use of the remaining resources by concentrating attention on those cases deemed to be at high risk of involving fraud or error. However, the policy will have to be kept under review to ensure it remains effective and that the classification of risk groups remains valid.

In response to questions by the Executive about other authorities’ practices, systems capability, staff training and impact in terms of claims processing times, the Director of Function (Resources)/Section 151 Officer clarified that a number of authorities have now adopted a risk verification process; the Northgate IT system currently used by the Authority

includes a provision that can be used for this purpose and notwithstanding that Benefits staff undertake regular training as a matter of course, a programme of training will be undertaken in preparation for the implementation of the policy. The aim is to see a reduction in the number of documents handled, and improved administration and processing times.

The Executive confirmed that it would wish the Audit and Governance Committee to review the policy.

It was resolved –

- **To note and endorse the proposal for the Benefits Section to introduce a risk based verification process for the administration of Housing Benefit and Council Tax Reduction.**
- **To approve the Risk Based Verification Policy as detailed in Appendix A to the report and to note that the Audit and Governance Committee will review the policy annually.**
- **To instruct the Director of Function (Resources)/Section 151 Officer to ensure that the necessary arrangements are made for the introduction of risk based verification in accordance with an agreed timetable.**

**Councillor Llinos Medi
Chair**