

THE EXECUTIVE

Minutes of the virtual meeting held on 15 February, 2021

PRESENT:	Councillor Llinos Medi (Chair) Councillor Ieuan Williams (Vice-Chair) Councillors Richard Dew, Carwyn Jones, R. Meirion Jones, Alun Mummery, R.G. Parry, OBE FRAGS, Dafydd Rhys Thomas, Robin Williams
IN ATTENDANCE:	Chief Executive Director of Function (Resources) & Section 151 Officer Director of Function (Council Business)/Monitoring Officer Director of Education, Skills and Young People Head of Housing Services Head of Democratic Services Committee Officer (ATH)
APOLOGIES:	Mr Dylan Williams, Deputy Chief Executive
ALSO PRESENT:	Councillors Glyn Haynes, Kenneth Hughes Trefor Lloyd Hughes, MBE, R. Llewelyn Jones, Dafydd Roberts, Mr Gareth Wyn Williams (Local Democracy Reporter)

The Chair welcomed all those present to the meeting and introductions were made.

1. DECLARATION OF INTEREST

No declaration of interest was made.

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 18 January, 2021 and 25 January, 2021 were presented for the Executive's approval.

It was resolved that the minutes of the previous meetings of the Executive held on 18 January, 2021 and 25 January, 2021 be approved.

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, 2021 to October, 2021 was presented for consideration and the following changes were noted -

- New Items –
 - Item 9 – Fees and Charges - for the 1 March, 2021 meeting

- Item 13 – Schools’ Modernisation Llangejni Area - *originally for the 1 March, 2021 meeting but since the Work Programme was published a request has been received to re-schedule the item to a meeting later in March on a date to be confirmed.*
- Item 22 – Progress Report from the Social Services Panel – for the 22 March, 2021 meeting.
- Rescheduled Item
 - Item 21 – Housing Revenue Account (HRA) Business Plan rescheduled from the 1 March, 2021 meeting to the 22 March, 2021 meeting.

It was resolved to confirm the Executive’s updated Forward Work Programme for the period from February to September, 2021 with the additional change outlined at the meeting.

5. HOUSING RENT HRA AND HOUSING SERVICE CHARGES

The report of the Head of Housing Services seeking the Executive’s approval for increases in rent and service charges for 2021/2022 was presented for consideration.

Following a summary introduction by the Portfolio Member for Housing and Supporting Communities, the Head of Housing Services reported that Welsh Government agrees the policy for Social Housing Rents annually and a letter confirming the policy for 2021/22 was received on 30 November, 2020. It advises that all local authorities should use the formula of consumer price index (CPI) +1% with the value of CPI in September being 0.5% i.e. 1.5%. It is proposed that in order to apply the annual rent increase fairly, equally amongst tenants and to ensure that the maximum annual increase threshold amount is not exceeded, the increase is calculated by “current rent + 0.45%” and applied to all tenants. For the tenants that are significantly below the target rent band for this financial year an additional £2.00 per week will be added. This is to ensure that the Authority continues to work towards achieving convergence with other social housing providers. In practice this will mean that for the 1,910 properties that are below the current target rents bands the current rent will be increased by 0.45% + £2.00 per week. For the remaining 1,942 properties that are on current target rent or higher, an increase of 0.45% will be applied. An increase of 13p per week is proposed for garage rent and the proposed weekly service charges for 2021/22 based on 51 weeks collection are as set out in paragraph 3.3 of the report.

During the next financial year the Authority is looking to develop new Council houses with a view to charging Intermediate Rents which is an additional element for 2021/22. These type of properties are affordable housing where the rents are above those of social rented properties but below those of private rented properties and will be allocated under the Tai Teg Allocation Register and not the Common Housing Register; they are for people who do not qualify for social housing but who cannot afford open market rent prices or properties. It is proposed that Intermediate rents are set at 80% of open market rental costs or up to Local Housing Allowance.

Should the proposed rents increases be approved and implemented, the Authority will have 1, 677 properties which remain below target rent and 2,175 properties at target rent.

In considering the proposals, the Executive sought further clarification with regard to the following –

- The level at which Intermediate Rents would be set in the context of the table at paragraph 6.3 of the report which provides information for Anglesey with regard to social

rent, average private rented sector rent and local housing allowance for 1, 2, 3 and 4 bedroom properties.

The Head of Housing Services clarified that for an open market rental property with for example a monthly rent of £600, the Authority would charge £480 intermediate rent on the property providing that that charge is not higher than the Local Housing Allowance and on the basis that if circumstances change the family renting the property would be eligible for Housing Benefit which would cover the higher level of rent.

- With regard to the reference to average Private Rented Sector (PRS) rents in the table, the process by which open market rents are set.

The Head of Housing Services clarified that property companies such as Zoopla research the market and use market data to work out the average private rents for different areas.

- The timeline for bringing the properties that remain under target rent to target level and whether the Authority is working systematically to do so.

The Head of Housing Services advised that had the system remained unchanged from last year the Authority would have attained rent convergence in 2023/24; it is hoped this timeline can still be achieved and that remains the aim.

- Whether Intermediate Rent properties involve equity sharing or are rent only properties and remain so in perpetuity.

The Head of Housing Services confirmed that whilst Intermediate rent properties are for rent, opportunities do arise to sell equity shares in these properties but subject to a legal condition that if equity shares are sold the Authority has first call on the purchase. If having been bought back by the Authority these properties can again be let as Intermediate rentals.

It was resolved to approve the following –

- **The rent increase in line with Welsh Government target rent based on collection over 51 weeks.**
- **Increasing all rents below current target rent bands by 0.45% + £2.00 per week to continue working towards rent convergence.**
- **Increasing all rents on target or higher by 0.45%.**
- **An increase of 13p per week for the rent of all garages.**
- **That the service charges costs as noted within section 3.3 of the report be applied to all tenants who receive the relevant services.**
- **The setting of Intermediate Rent Fees at 80% of open market rental costs or up to Local Housing Allowance.**

**Councillor Llinos Medi
Chair**