

Public Document Pack

Gareth Owens LL.B Barrister/Bargyfreithiwr
Chief Officer (Governance)
Prif Swyddog (Llywodraethu)



To:

Councillors: Amanda Bragg, Rosetta Dolphin,
Jim Falshaw, Ray Hughes, Hilary Isherwood,
Brian Lloyd and Gareth Roberts

CS/NG

14 May 2015

Plus 1 Independent and 7 Labour vacancies

Sharon Thomas 01352 702324
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Dear Sir / Madam

A meeting of the **COMMUNITY AND ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE** will be held in the **DELYN COMMITTEE ROOM, COUNTY HALL, MOLD CH7 6NA** on **WEDNESDAY, 20TH MAY, 2015** at **10.00 AM** to consider the following items.

Yours faithfully

Democracy & Governance Manager

AGENDA

- 1 **APPOINTMENT OF CHAIR**
To appoint a Chair of the Committee.
- 2 **APPOINTMENT OF VICE-CHAIR**
To appoint a Vice-Chair of the Committee.
- 3 **APOLOGIES**
- 4 **DECLARATIONS OF INTEREST (INCLUDING WHIPPING DECLARATIONS)**
- 5 **TERMS OF REFERENCE OF THE COMMITTEE** (Pages 3 - 12)
Report of Housing and Learning Overview and Scrutiny Facilitator enclosed.
- 6 **WELFARE REFORM UPDATE** (Pages 13 - 34)
Report of Chief Officer (Community and Enterprise) enclosed.

7 **WELSH GOVERNMENT CONSULTATION ON COUNCIL TAX PREMIUMS FOR SECOND HOMES AND LONG TERM EMPTY PROPERTY** (Pages 35 - 46)

Report of Chief Officer (Community and Enterprise) enclosed.

8 **DELIVERY OF THE HOUSING REGENERATION & STRATEGY SERVICE** (Pages 47 - 58)

Report of Chief Officer (Community and Enterprise) enclosed.

9 **FORWARD WORK PROGRAMME** (Pages 59 - 62)

Report of Housing and Learning Overview and Scrutiny Facilitator enclosed.

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **COMMUNITY & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE**

DATE: **WEDNESDAY, 20 MAY 2015**

REPORT BY: **HOUSING & LEARNING OVERVIEW & SCRUTINY FACILITATOR**

SUBJECT: **TERMS OF REFERENCE OF THE COMMITTEE**

1.00 PURPOSE OF REPORT

1.01 To advise the committee of its terms of reference

2.00 BACKGROUND

2.01 At the 2014 Annual Meeting, it was agreed that a review of the Overview & Scrutiny should be carried out. Following a series of meetings and the setting up of a working group, the Constitution Committee at its meeting on 15th April approved a new structure and terms of reference for the Overview & Scrutiny committees.

2.02 The recommendations following the Overview & Scrutiny structure review were submitted to Council at the Annual meeting on 12th May 2015.

3.00 CONSIDERATIONS

3.01 The terms of reference are attached as appendix 1. In essence, the committee combines the responsibilities of the former Housing Overview & Scrutiny Committee, together with scrutiny responsibility for the regeneration functions from the former Environment Overview & Scrutiny Committee and for Revenues & Benefits which were previously with Corporate Resources.

4.00 RECOMMENDATIONS

4.01 That the committee receives the report.

5.00 FINANCIAL IMPLICATIONS

5.01 None

6.00 ANTI POVERTY IMPACT

6.01 None

7.00 ENVIRONMENTAL IMPACT

7.01 None

8.00 EQUALITIES IMPACT

8.01 None

9.00 PERSONNEL IMPLICATIONS

9.01 None

10.00 CONSULTATION REQUIRED

10.01 None

11.00 CONSULTATION UNDERTAKEN

11.01 None

12.00 APPENDICES

12.01 Appendix 1: Terms of Reference of the Community & Enterprise Overview & Scrutiny Committee.

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

1. Report to the Constitution Committee – Scoping the Review of the Overview & Scrutiny Structure – 15th October 2014 and resultant minute.
2. Report to the Constitution Committee – Overview & Scrutiny Committee Structure – 28th January 2015 and resultant minute.
3. Report to the Constitution Committee – Overview & Scrutiny Committee Structure – 15th April 2015 and resultant minute.
4. Report to the Annual meeting of Council – 12th May 2015.

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Article 6 – Overview & Scrutiny Committees

6.01 Terms of Reference

The Council will appoint the Overview & Scrutiny committees set out in the left hand column of the table below to discharge the functions conferred by section 21 of the Local Government Act 2000 in relation to the matters set out in the right hand column of the same table.

Overview & Scrutiny Committee	Scope
<p>Corporate Resources</p> <p>15 Elected Members</p> <p>(Statutory crime & disorder committee)</p>	<p>To fulfil all of the functions of an Overview & Scrutiny committee as they relate to the following:</p> <p>Corporate Management and Governance Council strategic and improvement planning Council performance and performance systems Customer Services Crime and Disorder Civil Contingencies and Emergency Planning Alternative delivery models (shared responsibility with Organisational Change)</p> <p>Finance Strategy Revenue and capital strategic planning Revenue and capital budget monitoring</p> <p>Clwyd Pension Fund</p> <p>ICT Strategy</p> <p>People Strategy People Strategy Organisational Design & Change Programme (shared responsibility with the Organisational Change O&SC)</p> <p>Corporate Services Corporate Communications Financial services ICT Services Information and Business Services Procurement HR Business Partnering Occupational Health and Wellbeing</p>

	<p>Employment Services Legal Services Democratic Services Electoral registration and elections</p> <p>Strategic and Partnership Working Partnership and collaborative working frameworks Local Service Board Strategic need assessment and Community Strategy Community Safety Partnership Voluntary Sector Compact The County Forum and the Joint Community Charter with Town and Community Councils</p> <p>Main External Partner Organisations Flintshire Local Voluntary Council North Wales Fire & Rescue Authority & Service North Wales Police & Crime Commissioner North Wales Police Service North Wales Probation Service Welsh Local Government Association</p>
<p>Education & Youth</p> <p>15 Elected Members</p> <p>5 Statutory co-opted members</p>	<p>To fulfil all of the functions of an Overview & Scrutiny committee as they relate to following:</p> <p>Schools School organisation and management School Improvement and modernisation School Access, planning and provision Primary and Early years Secondary and 14-19 education Schools Performance Monitoring</p> <p>Continuing Education Adult and community learning</p> <p>Special Education Inclusion service</p> <p>Support to Families and Young People</p> <p>Families First Youth Services Youth Justice Service</p>

	<p>Partnership Working & Strategies</p> <p>Children and Young People’s Partnership (shared responsibility with the Social & Health Care Overview & Scrutiny Committee)</p> <p>Performance, Improvement and Policy Development</p> <p>Performance and Improvement Plan monitoring Policy development.</p> <p>Main External Partner Organisations</p> <p>Coleg Cambria Glyndwr University GwE DCELLS Estyn</p>
<p>Social & Health Care</p> <p>15 Elected Members</p>	<p>To fulfil all of the functions of an Overview & Scrutiny committee as they relate to the following:</p> <p>Adult Services</p> <p>First contact and localities Adult safeguarding Adult Independence and support services</p> <p>Children’s Services</p> <p>Fieldwork Resources Safeguarding Early Years and Family support</p> <p>Disability, Progression and Recovery Services</p> <p>Partnership Working, Commissioning & Strategies Children and Young People’s Partnership (jointly with the Education & Youth Overview & Scrutiny Committee) Social & Health Care Strategy Development Health Social Care and Well-being partnership and the Good Health Good Care Strategy Dementia Commissioning Plan Mental Health Commissioning Plan Learning Disability Commissioning Plan</p> <p>Performance, Improvement and Policy Development</p> <p>Policy and Performance development Performance and Improvement Plan Monitoring</p>

	<p>Main External Partner Organisations Betsi Cadwaladr University Health Board (BCUHB) Ambulance Trust Community Health Council</p>
<p>Community & Enterprise</p> <p>15 Elected Members</p>	<p>To fulfil all of the functions of an Overview & Scrutiny committee as they relate to the following: (Note Customer Services is within the remit of the Corporate Resources O&SC)</p> <p>Community Community support services Welfare reform</p> <p>Public Housing Housing Strategy Neighbourhood Housing Housing Asset management</p> <p>Private Housing Housing renewal</p> <p>Revenues & Benefits</p> <p>Regeneration Communities First, Economic Development and Tourism Enterprise Regeneration Partnership</p> <p>Performance, Improvement and Policy Development Performance and Improvement Plan Monitoring Policy and Performance development</p> <p>Partnership Working and Strategies Housing Strategy Housing Asset Management Strategy Rural Development Plan Housing Revenue Account Business Plan</p> <p>Main External Partner Organisations NEW Homes Limited Registered Social Landlords Visit Wales</p>
<p>Environment</p>	<p>To fulfil all of the functions of an Overview & Scrutiny committee</p>

<p>15 Elected Members</p>	<p>as they relate to following:</p> <p>Planning planning and environmental strategy, development management and control, conservation, minerals and waste planning, countryside and the environment Greenfield Valley Heritage Park Public rights of way Drainage advisory/Flood Water Management Act Energy Services</p> <p>Public Protection Community protection health protection environmental protection, bereavement services</p> <p>Streetscene Services, environmental and waste management, neighbourhood services, maintenance of the public realm Environmental enforcement Vehicle fleet</p> <p>Transportation Highway Strategy and Development Control Traffic Services Transport Services Road Safety Education, Training and Publicity</p> <p>Performance, Improvement and Policy Development Performance and Improvement Plan Monitoring and Policy and Performance development within Streetscene and Transportation and Planning and Environment</p> <p>Strategic and Partnership Working Local Development Plan Flood management Strategy North Wales Residual Waste Treatment Partnership</p> <p>Main External Partner Organisations Natural Resources Wales Planning Inspectorate Wales</p>
<p>Organisational Change</p>	<p>To fulfil all of the functions of an Overview & Scrutiny committee as they relate to the services within Organisational Change and,</p>

<p>15 Elected Members</p>	<p>in particular, but not limited to:</p> <p>Strategic</p> <p>Alternative delivery models (shared responsibility with Corporate Resources O&SC)</p> <p>Overview of the Organisational Design & Change programme (shared responsibility with Corporate Resources O&SC)</p> <p>Community Asset Transfer Programme</p> <p>Service Delivery</p> <p>Engineering Services Property and Design Consultancy Valuation and Estates Facilities Services Community Assets Clwyd Theatr Cymru Libraries, Culture and Heritage including archives and museums Leisure Services, including leisure and sports centres, swimming pools and recreational facilities/activities</p> <p>Performance, Improvement and Policy Development</p> <p>Performance and Improvement Plan Monitoring and Policy and Performance development within Organisational Change</p> <p>Main External Partner Organisations</p> <p>Arts Council for Wales</p>
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In addition to the above Overview & Scrutiny committees, the following terms of reference relating to Overview & Scrutiny have been given by the Council to the Constitution Committee.

<p>Constitution (as it relates to Overview & Scrutiny)</p> <p>21 Elected Members</p>	<p>Allocating, co-ordinating and prioritising the work of the Overview & Scrutiny committees where necessary. Dealing with matters of common interest to Overview & Scrutiny. Identification/allocation of appropriate scrutiny chair for consent/consultation purposes. The examination and development of good scrutiny practice. The promotion, effective development and maintenance of a high profile Overview & Scrutiny function to ensure maximum opportunity for non-Cabinet member engagement. Liaison with and responding to the Welsh Government on emerging legislation relevant to Overview & Scrutiny.</p>
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6.02 General role

Within their terms of reference, Overview and Scrutiny Committees have the power to:

- i) Review and/or scrutinise decisions made or actions taken in connection with the discharge of any of the Council's or Cabinet's functions;
- ii) Make reports and/or recommendations to the full Council and/or the Cabinet; and/or any joint Committee.
- iii) Consider any matter affecting the Council area or its inhabitants; and
- iv) Exercise the right to call-in, for reconsideration, decisions made but not yet implemented by the Cabinet.
- v) Promote high performance, efficiency and organisational change.

6.03 Specific functions

- (a) **Policy development and review.** Overview and Scrutiny Committees may:
 - i) support and assist the Council and the Cabinet in the development of its budget and policy framework by in-depth analysis of policy issues;
 - ii) conduct research, community and other consultation in the analysis of policy issues and possible options;
 - iii) consider and implement mechanisms to encourage and enhance community participation in the development of policy options;
 - iv) question members of the Cabinet and/or Committees and Chief Officers about their views on issues and proposals affecting the area; and
 - v) liaise with other external organisations operating in the area, whether

national, regional or local, to ensure that the interests of local people are enhanced by collaborative working.

- (b) **Scrutiny.** Overview and Scrutiny Committees may:
- i) review and scrutinise the decisions made by and performance of the Cabinet and/or Committees and Council officers both in relation to individual decisions and over time;
 - ii) review and scrutinise the performance of the Council in relation to its policy objectives, performance targets and/or particular service areas;
 - iii) question members of the Cabinet and/or Committees and chief officers about their decisions and performance, whether generally in comparison with service plans and targets over a period of time, or in relation to particular decisions, initiatives or projects;
 - iv) make recommendations to the Cabinet and/or appropriate Committee and/or Council arising from the outcome of the Scrutiny process;
 - v) review and scrutinise the performance of other public bodies in the area and invite reports from them by requesting them to address the Overview and Scrutiny Committee and local people about their activities and performance; and
 - vi) question and gather evidence from any person (with their consent).
- (c) **Finance.** Overview and Scrutiny Committees may exercise overall responsibility for the finances made available to them.
- (d) **Annual report.** Overview and Scrutiny Committees must report annually to full Council through the Constitution Committee on their workings and make recommendations for future work programmes and amended working methods if appropriate.
- (e) **Officers.** Overview and Scrutiny Committees may exercise overall responsibility for the work programme of the officers employed to support their work.

6.04 **Proceedings of Overview and Scrutiny Committees**

Overview and Scrutiny Committees will conduct their proceedings in accordance with the Overview and Scrutiny Procedure Rules set out in Part 4 of this Constitution.

FLINTSHIRE COUNTY COUNCIL

REPORT TO: **HOUSING OVERVIEW & SCRUTINY COMMITTEE**

DATE: **WEDNESDAY, 20 MAY 2015**

REPORT BY: **CHIEF OFFICER (COMMUNITY AND ENTERPRISE)**

SUBJECT: **WELFARE REFORM UPDATE**

1.00 PURPOSE OF REPORT

1.01 To update Committee Members on the latest position with the on-going transformation of the social security system and of the activities that are providing help and support to Flintshire residents who are affected by changes to their social security and tax credit income.

2.00 BACKGROUND

2.01 In 2010–11, the total spending on welfare benefits and tax credits was £220 billion. This represented 27.6% of public spending made during that year. The Coalition Government of 2010 introduced a plan for radical overhaul of the welfare system with four aims:

1. to cut back on government spending and to put long term social security expenditure onto an affordable and sustainable footing;
2. to give unemployed people greater incentives to move into work;
3. to protect vulnerable citizens in need of support; and
4. to simplify the social security system.

2.02 To achieve the aim of controlling expenditure, the previous Coalition Government introduced legislation, primarily contained within the provisions of the Welfare Reform Act 2012, which aimed to achieve a reduction in social security expenditure of £19 billion pa.

2.03 In a report, published by the Treasury Select Committee¹ in February 2015, it was projected that social security expenditure in 2014/15 would only be around £2.5 billion less than expenditure in 2010/11. The report notes that social security expenditure, in 2014/15, on pensioner benefits will be £6 billion higher than in 2010/11. Expenditure on Housing Benefit will be £3 billion higher in 2014/15,

¹ House of Commons, Treasury Select Committee - Ninth Report - Autumn Statement 2014

mainly due to increase expenditure on helping people renting in the private rented sector where rents have grown faster than expected but earnings have grown slower than expected. The fact that earnings have not grown as expected has also resulted in a £1.5 billion increase in expenditure on Child and Working Tax Credits in 2014/15 as compared to 2010/11.

- 2.04 The Select Committee report also highlighted the significant problems that have been encountered with the major reforms of the sickness and disability benefit system and with the implementation of Universal Credit and concluded:

“the experience of the past five years shows that the achievement of planned welfare savings depends partly on economic developments, which are not within government control. It also depends on the timely implementation and operational success of any major reforms to the welfare system.”

- 2.05 In a report by the Institute for Fiscal Studies², it was acknowledged that implementing the wide ranging welfare reforms, such as, changing how the annual uprating of welfare benefits and tax credits is calculated; time limiting the payment of some working age sickness benefits; reducing the amount of rent that Housing Benefit will cover for private sector and some social housing tenants; abolishing elements of the Discretionary Social Fund and Council Tax Benefit, etc., the annual social security expenditure in 2014/15 is £17 billion less than it would have been, if the welfare reforms had not been introduced.

3.00 **CONSIDERATIONS**

3.01 **Benefit Cap**

- 3.01.1 The benefit cap was introduced from July 2013 to act as a work incentive by limiting the amount of out of work benefits that working-age households can receive; currently to £500 per week (£26,000 per year) for couples with or without children and lone parents; and £350 per week (£18,200) for single people. Some households that include a person claiming certain sickness or disability benefits are exempt from the benefit cap.

- 3.01.2 The benefit cap has had the most impact upon households in receipt

² IFS Briefing Notes: The social security system: long-term trends and recent changes – November 2014

of Housing Benefit who are residing in high rent areas. The latest statistics, published in February 2015, by the Department for Work and Pensions show that during the period April 2013 to November 2014, over 51,000 households have been subject to the benefit cap with 46% of households residing within London. Since the introduction of the benefit cap, 9,600 households, who had been subject to the benefit cap, have had the cap removed by entering employment.

- 3.01.3 The introduction of the benefit cap has (so far) only affected a very small number of Flintshire households, with less than 60 households being impacted. All the households who have been subject to the benefit cap received advice and assistance from the Council to manage the financial difficulties the imposition of the cap generated.

3.02 **Discretionary Assistance Fund**

- 3.02.1 The Discretionary Assistance Fund (DAF) is a Wales wide scheme that offers grant payments to help people where there is a need to safeguard their, or a member of their households, health and well-being and the applicant has no other means of meeting their immediate cost of living.
- 3.02.2 The DAF has proven itself to be a successful substitute for the two elements of the Department for Work and Pensions Social Fund scheme that it replaced in April 2013, and across Wales it has provided over £14 million to help more than 54,000 people. During the period that the DAF has been in operation, Flintshire residents have made 2,636 applications to the DAF with 1,756 (66%) resulting in a grant payment being awarded. The total monetary value of the DAF grants paid to Flintshire residents is £437,000.
- 3.02.3 The DAF was original funded for a two year period, ending in March 2015. It is therefore, pleasing to report that the Welsh Government is providing £8.38m funding to continue the DAF during this current financial year.

3.03 **Discretionary Housing Payments**

- 3.03.1 During the previous year Flintshire County Council's Housing Benefit Service has been involved, with colleagues from across Wales, in the development of a discretionary housing payment framework which aims to ensure there is a fair and consistent approach to decision

making across all Welsh local authorities. The Housing Benefit Service has also developed and implemented a fresh approach for assessing/awarding discretionary housing payments. The new approach aims to encourage and empower Flintshire residents, who have applied for a discretionary housing payment, to identify and put in place appropriate measures that will help them to attain a stable and manageable financial position over the long term and, in doing so, reduce their reliance upon discretionary housing payments.

3.03.2 This new approach will enable the Housing Benefit Service to target financial help at the Flintshire households who are most in need and who are least able to help themselves. This is a very important objective, given the discretionary housing payment grant from the Department for Work and Pensions for 2015/16 is less than 2014/15 grant.

3.03.3 During the period April 2014 to March 2015, discretionary housing payment awards, totalling £307,552, had been paid to 510 eligible claimants. A review of the successful applications show that 433 (85%) awards, with a total value of £259,000, were made to households who were struggling to pay their contractual rent due to being impacted by one or more of the welfare reforms. The impact of the spare room subsidy was the largest reason why applicants were seeking assistance and 301 discretionary housing payments were awarded to help social housing tenants, under occupying their home, to meet their contractual rent payments.

3.03.4 The discretionary housing payment scheme is accessible to all tenants in receipt of Housing Benefit who find themselves unable to pay their rent. However, since April 2013, the ongoing impacts of the welfare reforms has limited the ability of the Council to offer discretionary housing payments to households, not affected by welfare reforms, but whose circumstances have changed for the worse, perhaps due to a reduction in their hours of work, etc. Of the 510 discretionary housing payment awards made during the last financial year, only 77 (15%) were made to households struggling to pay their rent but who were not impacted by the welfare reforms.

3.04 Personal Independence Payment

3.04.1 Personal Independence Payment (PIP) was introduced in April 2013, as a 'fit for purpose 21st Century disability benefit' with an eligibility criteria and assessment process based upon a more modern

understanding of disability than the processes within Disability Living Allowance (DLA), the benefit PIP is replacing.

- 3.04.2 However, the first comprehensive independent review³ of how PIP is faring in its aim of being a fit for purpose disability benefit, published in December 2014, concluded there were several areas where significant improvements were required to the PIP processes, including how the Department for Work and Pensions (DWP) communicates with claimants around all aspects of the PIP application/assessment processes. The review also raised concerns around the effectiveness of the PIP assessment for people with a mental health condition and recommended that there should be a rigorous evaluation of the assessment process on applications from people with a mental health condition to identify the fairness and consistency of decisions. The DWP has accepted all the recommendations from the review.
- 3.04.3 Though, the eligibility criteria for PIP is more robust than the eligibility criteria under DLA, during the previous financial year the Council's Welfare Rights Team provided assistance to 220 residents making applications for PIP. The successful PIP applications resulted in residents receiving a total of £910,000 in social security income, helping them to meet the additional financial cost they face due to their disability. In the spring of 2014, the residents assisted by the Welfare Rights Team were waiting on average around 46 weeks to receive the decision on their PIP application. In January 2015, the average waiting time had decreased to around 20 weeks. The reduction in the time taken to reach a decision on a PIP claim is to be welcomed. However, there has been an increase in the number of decisions on PIP applications being made wholly upon a 'paper assessment' of the claimants' need for help with daily living and mobility activities. This appears contrary to the one of the primary objectives of PIP which, is to ensure accuracy of decisions on entitlement through more face-to-face assessments of a claimant's needs by Health Care Professionals.
- 3.04.4 The large-scale reassessment under the PIP eligibility criteria of claimants with an indefinite award of DLA (originally planned to start in the summer of 2014) will commence in October 2015, with an estimated completion date of December 2017. During this period, over 2,000 Flintshire residents will have their continued entitlement to

³ An Independent Review of the Personal Independence Payment Assessment – Paul Grey: Dec 2014

a welfare benefit payment to help them meet the financial cost generated by their disability and/or poor health re-determined. The reassessment of DLA claimants is projected to generate savings of around £3 billion to social security expenditure as the DWP are maintaining their forecast (first made in November 2012) that the reassessment of DLA claimants, under more stricter PIP eligibility criteria, will result in around 20% of DLA claimants not being entitled to PIP.

- 3.04.5 The loss of a disability benefit often has financial implications for a household that go beyond the loss of the money from the disability benefit itself. This is due to the workings of the means-tested benefit calculation. Some Flintshire residents, who lose their disability benefit, will find they are also expected to contribute more to their rent and their Council Tax than they did when they had a higher level of income. Therefore, the Council and its partners are working together to ensure that Flintshire residents, impacted by the DLA to PIP reassessment, will be able to access appropriate advice and support to deal with any issues they may face during the assessment and the consequences arising from the outcome of their assessment.

3.05 Spare Room Subsidy

- 3.05.1 In 2013, the Department for Work and Pensions (DWP) projected savings to the Housing Benefit budget from the implementation of the spare room subsidy (aka bedroom tax) would be £490 million a year. However, the spare room subsidy has reduced expenditure on Housing Benefit by £380 million in 2013/14 and £360 million in 2014/15.
- 3.05.2 Whilst the spare room subsidy may not have generated the projected level of savings projected by the DWP, its introduction has still created a significant negative impact upon social housing tenants and their landlords. In a report published in January 2015, the Auditor General for Wales⁴ concluded that:-

“The changes to housing benefit introduced by the welfare-reform programme are having a significant impact on Welsh councils and housing associations, and they are struggling to deliver effective and sustainable solutions to address the challenges they face.”

⁴ Managing the impacts of the welfare reforms on social housing tenants in Wales – Auditor General for Wales – January 2015

- 3.05.3 Within their report the Auditor General made a series of recommendations for Welsh local authorities to consider implementing in order to mitigate the impact of the welfare reforms, in particular the negative impact of the spare room subsidy. It is pleasing to report that, within its positive and proactive to mitigate the impacts of the Welfare Reform Act 2012, Flintshire County Council and its partners are already implementing the majority of the Auditor General's recommendations. (See appendix 1)
- 3.05.4 The lawfulness of the Housing Benefit regulations, which underlie the spare room subsidy, has been subject to numerous challenges heard by Social Security Appeal Tribunals and the Courts. To date, the decisions given by Upper Tier Tribunal Judges and from the High Court/Court of Appeal have all supported the DWP, with many of decisions emphasising the availability of discretionary housing payments as the 'safety net' that provides 'protection' to the most vulnerable households impacted by the spare room subsidy.
- 3.05.5 However, permission has been granted for the argument that the Housing Benefit regulations discriminate against disabled adults to be heard before the Supreme Court – the Highest Court in the United Kingdom. (The discrimination argument has been dismissed by earlier cases heard by the High Court and the Court of Appeal.) This landmark case will be heard later this year with the outcome awaited by the 440,000 disabled tenants across the United Kingdom, impacted by the spare room subsidy, who find it difficult to move to suitable alternative accommodation and whose disability benefit income often results in them being unsuccessful with applications for a discretionary housing payment on the grounds they have surplus income.
- 3.05.6 At the end of March 2015, Flintshire County Council had 903 tenants impacted by the spare room subsidy. If a tenant has been impacted by the spare room subsidy from its introduction in April 2013, by the end of March 2015, they would have lost, on average, Housing Benefit totalling £1,411.
- 3.05.7 As table 1 demonstrates, in March 2015, 429 (48%) of the tenants affected by the spare room subsidy were in rent arrears, with the majority (54%) of the tenants accruing rent arrears of under £300. The total amount of rent arrears on these rent accounts is £195,258.08. (In August 2014, there were 743 tenants affected by

the spare room subsidy with rent arrears totalling £257,173.63.)

Table 2: Tenants impacted by spare room subsidy – March 2015

Band £	Arrears £	Number of tenants
0-300	26,301.54	236
300-600	41,530.94	100
600-1000	39,885.69	52
1000-2000	55,728.53	39
2000-3000	22,534.32	10
3000-4000	3,996.61	1
4000 +	5,280.45	1
Total	£195, 258.08	439

- 3.05.7 Since April 2013, the spare room subsidy has resulted in Flintshire County Council tenants losing around £1.2 million of Housing Benefit payments. However, the proactive response from the Council in targeting advice and support at the tenants impacted by the spare room subsidy, has played a key role in have helped them to better manage the financial changes imposed upon them and, in doing so, has mitigated the full impact from the loss of Housing Benefit revenue from falling upon the Council's Housing Revenue Account.
- 3.05.8 As has been widely reported one of the main policy intents behind the introduction of the spare room subsidy, i.e., to encourage under-occupying households to downsize to smaller properties and free up larger social housing properties for overcrowded households, has not been attained and during 2014, only around 5% of affected tenants, across the United Kingdom, transferring to smaller properties.
- 3.05.9 Whilst the supply of smaller social housing is the main factor behind the limited movement amongst households impacted by the spare room subsidy, Flintshire's Neighbourhood Housing Service has continued to support tenants, as far as practical, to transfer. During the 2014/15, 83 tenants have been assisted to transfer to a smaller home, (in 2013/14, a total of 50 Council tenants impacted by the spare room subsidy transferred to a smaller home.) The increase in the numbers of transfers, during the previous 12 months, is to be welcomed. However, as the spare room subsidy seems likely to continue in its current format, the Neighbourhood Housing Service will continue to assist tenants with more complex needs, i.e. disabled and who need to move to smaller adapted properties. Such households are more difficult to transfer to suitable alternative accommodation and the Neighbourhood Housing Service will have to

implement a range of approaches to resolve the problems, the ongoing implementation of the spare room subsidy, will create for households containing a disabled person.

3.06 Universal Credit

3.06.1 Since the Universal Credit (UC) programme began in 2010, the Department for Work and Pensions (DWP) has spent around £700 million. It is projected that by 2023, £1.7 billion will have been invested in the programme to replace the current means-tested benefits system for working age claimants with UC.

3.06.2 The DWP are continuing the approach of introducing UC throughout the United Kingdom in a slow and controlled manner. The latest national statistics show that between April 2013 and April 2015, just over 85,000 people had made a UC claim and 46,920 people were still in receipt of UC. The statistics also demonstrate that 53% of all UC claimants were aged under 25.

3.06.3 From February 2015, UC started to be delivered through all the Jobcentres within Flintshire. However, with the exception of Shotton Jobcentre, UC is only available to single, newly unemployed claimants. (Shotton Jobcentre delivers UC to unemployed claimants who are single, or have a partner, or have children.)

3.06.4 Whilst UC is a live benefit across the County, the national 'Gateway Eligibility Criteria' places controls upon the category of claimant who can make a claim and, consequently, the number of Flintshire residents claiming UC is low. During the period 7 April 2014 to 30 April 2015:

- 452 claims for Universal Credit have been made by Flintshire residents
 - 419 UC claims made through Shotton Jobcentre (commenced taking UC claims in April 2014)
 - 18 UC claims made through Mold Jobcentre; (commenced taking UC claims in February 2015) and
 - 13 UC claims made through Flint Jobcentre (commenced taking UC claims in February 2015)
- Of the 452 claims for UC, 448 claims have been made by single claimants with only 2 being made by couples and 2 by claimants with children.

3.06.5 The original timetable for the implementation of UC predicted that by

the end of 2017 the roll out of UC across the United Kingdom would be complete. However, given the slow roll out of UC, it is now projected that the implementation of UC will take until 2020 to near its completion.

- 3.06.6 The DWP's revised timetable for the implementation of UC projects that from the middle of 2016 through to the end of 2017, there will be no new claims accepted from working age people for any of the existing six means-tested benefits. Instead, all new claims from working age people for means-tested assistance from the social security system will be a claim for UC. The process of "natural migration" will also take place during this period where a claimant receiving an existing means-tested benefit, who reports a change of circumstances, will be moved on to UC. From the end of 2017 onwards, all working age people, still receiving a means-tested benefit, will start to be migrated across to UC. The DWP expect that by the end of 2019, they will have transferred seven million people (93% of eligible claimants) across to UC.
- 3.06.7 Through working with the DWP and local Jobcentre Plus, the Council has ensured all Flintshire residents, in need of advice and support to make and/or manage their UC claim, have enjoyed timely access to appropriate services. However, given the majority of UC claimants within the County are younger single people, residing at home with their parents, the demand for support has been relatively low and throughout the previous year only fifty-five claimants' required personal budgeting support and two claimants needed help to make their on-line UC application. The Council has negotiated funding from the DWP which will ensure vulnerable UC claimants continue to be provided with the advice and support they need to make and sustain their UC claim during the current financial year.
- 3.06.8 To support the safe implementation of UC within Flintshire, the Council developed and implemented an effective communication strategy, which has successfully dispelled myths and mitigated some of the concerns around UC, particularly amongst landlords, which have developed over the last couple of years. The Council has also encouraged constructive debate, amongst key stakeholders, around how UC is being implemented and fed constructive criticism into the UC implementation team. It is pleasing to report that the DWP have introduced positive changes to their national UC policy to align with best practice that has been implemented within Flintshire.

- 3.06.9 As a social landlord the Council is very aware that the default payment method for UC, (a single monthly payment to a household), contains the potential to increase rent arrears amongst some tenants. It was welcomed therefore that in February 2015, a new statutory instrument came into force, which enables the DWP to advise a social landlord that one of their tenants has made a UC claim (prior to this change in the data sharing law, a tenant had to agree to their social landlord being advised that they had made a UC claim) . The data sharing ought to ensure that the Council receives timely notification of a UC claim being made by one of its tenant. This will enable the Neighbourhood Housing Service to target assistance to a tenant, who they recognise, may struggle to manage their UC award. The early notification of a UC claim being made by a tenant will also enable the Neighbourhood Housing Service, in appropriate cases, to submit an alternative payment request to the DWP for the direct payment to the Council of the housing cost element of the tenant's UC award.
- 3.06.10 Following the outcome of the May 2015 General Election, it is to be expected that UC will continue to roll out, across the United Kingdom, in its present format. Therefore, the Neighbourhood Housing Service will need to commence planning how it will engage with, and prepare its working age tenants, who currently receive Housing Benefit, for the changes and challenges that UC will pose for them. The successful engagement and support programme, which was implemented to assist tenants impacted by the spare room subsidy, will be the foundation upon which this larger scale programme will be developed.
- 3.06.11 The changes to homelessness legislation, introduced by the Housing (Wales) Act 2014, has provided the Council with the power to discharge its statutory homelessness duty by offering a homeless household a suitable property in the private rented sector. The legislation has also placed an enhanced statutory homelessness duty upon the Council. Therefore, it is important that there is a sufficient supply of private rented properties across the County. As the data sharing arrangements only relate to UC claims made by a social housing tenant, the Council will continue to work with the DWP in order to identify and implement measures that aim to ease the concerns, held by some private landlords, around the financial risks they may face when renting a property to a tenant who is receiving UC.

3.07 Welfare Reforms - Phase Two

- 3.07.1 The run-up to the General Election in May 2015 saw a raft of opinions being expressed of how public expenditure could be reduced through further transformation of the United Kingdom social security system. Whilst there is not a lot of confirmed details of how the individual welfare benefits and tax credits which will be subject to further reform, it has been confirmed that the primary focus will be upon reducing expenditure upon 'working age benefits' by £12 billion per year from 2016. (The projected expenditure upon social security and tax credits in 2014/15 is £217 billion, with an estimated £80 billion being spent on pensioner age benefits and £137 upon working age benefits.)
- 3.07.2 The specific details of the latest welfare reforms will become clearer following the new Government's first budget statement, expected to be in June 2015. However, it has been confirmed that:
- the benefit cap will be reduced from £26k to £23k;
 - working age benefits (excluding disability related) will be frozen at 2015/16 payment rates until at least 2018;
 - remove the automatic entitlement of young people (aged 18 – 21 years old) to claim jobseeking and housing cost benefits;
 - remove the rights of EU migrants to claim out-of-work benefits and restrict their rights to claim in-work benefits until they have worked in the United Kingdom for 4 years;
 - Universal Credit will continue its nationwide roll out to provide the right incentives to get people to enter employment.
- 3.07.3 Initial costings project that the above reforms, when implemented, will reduced expenditure upon working age benefits by £2 billion per year. The detail of where the remaining £10 billion per year of savings will be attained has not been confirmed and, consequently, is subject to a great deal of rumour and speculation.
- 3.07.4 Given the largest expenditure on social security benefits⁵ for working age claimants is in respect of tax credits (£23 billion pa) sickness/disability benefits (£22 billion pa) and Housing Benefit (£17 billion pa) it is, perhaps, a reasonable expectation that the legislative changes, needed to reduce expenditure upon working age benefits by £10 billion, will be focused primarily upon these benefits.

⁵ DWP Benefit Expenditure & Caseload Statistics – March 2015

3.07.6 The response to the Welfare Reform Act 2012, implemented by Flintshire County Council and its partners, was viewed across Wales as a model of best practice and the proactive approach has mitigated some of the negative impacts from falling upon Flintshire's vulnerable residents. When the details of the next phase of welfare reforms have been clarified, the Council will forecast the projected impacts of these changes to social security legislation upon residents, service users, service providers, local businesses, and, with its partners, begin the process of identifying, developing, and implementing a range of appropriate mitigating activities.

3.08 Mitigating the Impacts of the (Current) Welfare Reforms

3.08.1 Whilst some of the major welfare reforms, i.e., Universal Credit, are being introduced with more difficulty than was anticipated by the Department for Work and Pensions, the Flintshire households impacted by the reforms, which have been implemented, have experienced a reduction in their income and, unfortunately, vulnerable households still have limited opportunity to replace their lost welfare benefit income with earned income.

3.08.2 The Flintshire Tackling Poverty Partnership, comprising of representatives from a range of internal and external organisations, oversees the range of activities which aim to manage the impacts of the welfare reforms upon residents, service providers and local businesses, etc. These activities include:

3.09 Flintshire Advice Referral Gateway

3.09.1 In May 2014, Flintshire County Council provided funding for a 12-month pilot, to be managed by the Flintshire Citizen Advice Service, to develop an Advice Referral Gateway to work in partnership with the Flintshire Housing Support Referral Gateway. During the period May 2014 to March 2015, the Advice Gateway dealt with 547 referrals from service providers for residents to access social welfare advice providers. (Currently, a resident is unable to self-refer to the Advice Gateway.) The Advice Gateway has ensured all the referrals were effectively triaged with residents being referred to an appropriate service provider.

3.09.2 The Advice Gateway is proving to be a successful means by which the social welfare advice resources within the County can be effectively maximised, which is to be welcomed as the welfare

reforms are increasing the demand for access to advice services. Equally important, is the fact that the Advice Gateway is enhancing the customer experience by ensuring people have timely and seamless access to the most appropriate advice service provider.

- 3.09.3 Funding will be available to allow the Flintshire Citizen Advice Service to manage the Advice Gateway during 2015/16, and to continue the development work to enhance the proactive partnership working that is providing a link between the Advice and Support Gateways to establish the viability of creating a single pathway to both gateways.

3.10 Training and Development

- 3.10.1 Another of the successful activities, undertaken within Flintshire's response to the welfare reforms, has been the project to 'empower Flintshire's front line service providers'. Since 2011, the Council and its partners, have designed and delivered over eighty training and briefing sessions on a range of social welfare subjects including, the Welfare Reform Act 2012, individual welfare benefits, such as Universal Credit and specific skills such as, financial capability.

- 3.10.2 More than 1,400 front line staff have attended the training/briefing sessions, with the majority providing feedback that they possess the knowledge, skills, and the confidence to reassure service users and help them to implement measures that will assist them to manage the impacts created by the welfare reforms. In turn, the training programme has played a role in helping to prevent the increase in demand from residents, for help and advice on social welfare issues, from immediately falling upon traditional advice providers.

3.11 Maximising Social Security Income

- 3.11.1 The impact of the ongoing welfare reforms is removing social security income from Flintshire households which it is not being replaced by earned income and as a consequence is reducing spending power within the local economy.
- 3.11.2 During the period April 2014 to March 2015, over 1,600 Flintshire residents received advice and support from the Council's Welfare Rights Casework Team to deal with 2,328 welfare benefit and tax credit problems. The successful interventions generated welfare benefit and tax credit payments totalling £3.1 million (£2,551,172pa

ongoing payments and £568,000 one-off payments). This income is helping to avoid the risk of homelessness, and mitigate some of the negative impacts the welfare reforms are having upon the Flintshire local economy.

4.00 RECOMMENDATIONS

4.01 That Members note the report and continue to offer support to the ongoing work that is being undertaken by the Council and its partners to attempt to mitigate the full impact of the welfare reforms on vulnerable households

5.00 FINANCIAL IMPLICATIONS

5.01 None directly as a result of this report.

6.00 ANTI POVERTY IMPACT

6.01 The welfare reforms are being felt across many of Flintshire's diverse communities. However, the communities being hit the hardest are those with large numbers of non-working and/or sick/disabled households, particularly if they contain social housing tenants. According to a briefing paper from the New Policy Institute⁶, during 2013 and 2014, the number of households in poverty, in the United Kingdom, increased by 800,000. The largest growth of households in poverty has occurred in the social housing rented sector where 400,000 households entered poverty. The impact of the spare room subsidy has been the clear driver of this increase in poverty.

6.02 The Welsh Government recently published its revised Child Poverty Strategy for Wales⁷ which recognised that poverty in Wales, sadly, remains stubbornly high. The most recent data demonstrating that almost one in three children in Wales are living in low income households. The Child Poverty Strategy identifies the significant impacts of the welfare reforms on poverty levels within Wales and notes the disproportionate impact that the reforms have upon households with children. The strategy sets out what the Welsh Government, together with its partners, will do to tackle the various issues which are underpinning the high levels of poverty.

6.03 The work streams, currently being delivered within Flintshire's response to the current welfare reforms (and those which will be implemented to be

⁶ New Policy Institute – What happened to poverty under the coalition – April 2015

⁷ Welsh Government – Child Poverty for Wales – March 2015

manage the next phase of welfare reforms) will, over the coming years, continue to positively support the ambition of ensuring no child in Wales is living in poverty by 2020.

6.04 However, the ongoing reduction in expenditure on the working age social security and tax credits, claimed by low income households, will place significant barriers that will hinder the Welsh Government's progress towards its target of eradicating child poverty in Wales by 2020. The welfare reforms will also, especially, if the next phase of reforms does reduce further the financial assistance available to low income households to pay their housing costs, have negative impacts for the Welsh Government's commitment, as set out within the Housing (Wales) Act 2014, to reduce homelessness by placing greater emphasis on preventing homelessness.

7.00 ENVIRONMENTAL IMPACT

7.01 None directly as a result of this report

8.00 EQUALITIES IMPACT

9.00 PERSONNEL IMPLICATIONS

9.01 None directly as a result of this report

10.00 CONSULTATION REQUIRED

10.01 None directly as a result of this report

11.00 CONSULTATION UNDERTAKEN

11.01 None directly as a result of this report

12.00 APPENDICES

12.01 Appendix 1: Auditor General for Wales report on the impact of the welfare reforms, Flintshire County Council progress against recommendations.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

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AUDITOR GENERAL FOR WALES REPORT ON IMPACT OF WELFARE REFORM - FLINTSHIRE COUNTY COUNCIL PROGRESS AGAINST RECOMMENDATIONS

RECOMMENDATION	FLINTSHIRE POSITION	FURTHER COMMENT
<p>1. Improve strategic planning and better co-ordinate activity to tackle the impact of welfare reform on social-housing tenants by ensuring comprehensive action plans are in place that cover the work of all relevant council departments, housing associations and the work of external stakeholders.</p>	<ul style="list-style-type: none"> • FCC strategically assessed the inherent risks from the provisions within the Welfare Reform Act 2012, identifying the provisions that would require effective and proactive management in order to mitigate negative impacts from falling upon residents, service providers, businesses and the Council. • To oversee the development of comprehensive welfare reform mitigating action plans and the implementation of the operational activities a Welfare Reform Board, chaired by the Leader of the Council and with representation from key stakeholders, was established. 	<ul style="list-style-type: none"> • The next phase of welfare reforms aim to reduce expenditure on working age benefits by £12 billion pa from 2016. The negative impacts of the welfare benefit changes, required to achieve this level of savings, upon social housing tenants and their landlords will be analysed and appropriate mitigating actions implemented. • The introduction of the Housing (Wales) Act 2014 and the new person centred homeless prevention service will only be attained through effective cooperation between FCC and Registered Social Landlords.
<p>2. Improve governance and accountability for welfare reform by:</p> <ul style="list-style-type: none"> • appointing member and officer leads to take responsibility for strategic leadership on welfare reform and be accountable for performance; <p>and</p> <ul style="list-style-type: none"> • ensuring members receive adequate training and regular briefings on welfare reform to be able to challenge and scrutinise performance and decisions. 	<ul style="list-style-type: none"> • Following the implementation of the operational activities, the Welfare Reform Board stood down. However, the following measures are in place to report on the welfare reforms and the operational activities: <ul style="list-style-type: none"> I. Council Members - reports to Cabinet/ Scrutiny and briefing sessions being held as appropriate. II. Partner organisations, - regular reports to the Local Services Board, Tackling Poverty Partnership, etc. 	<ul style="list-style-type: none"> • Due to the links between the welfare reforms and the tackling poverty agenda's, consideration could be given to the FCC 'Anti-Poverty Champions' taking on the remit of 'Welfare Reform leads'.

<p>3. Ensure effective management of performance on welfare reform by:</p> <ul style="list-style-type: none"> • setting appropriate measures to enable members, officers and the public to judge progress in delivering actions; • ensuring performance information covers the work of all relevant agencies and especially housing associations; and • establishing measures to judge the wider impact of welfare reform. 	<ul style="list-style-type: none"> • Managing the on-going impact of the welfare reforms is one of the three workstreams of the Health, Wellbeing and Independence priority of the Single Integrated Plan within Flintshire • A suite of welfare reform performance measures has been established within the Flintshire Single Integrated Plan and FCC Improvement Plan – used to monitor performance across a range of mitigation activities and their impact upon tackling/preventing poverty. 	<ul style="list-style-type: none"> • Welfare reform related performance measures within the Flintshire Single Integrated Plan and FCC Improvement Plan have been revised to ensure they are appropriate for challenges to be faced in 2015/16.
<p>4. Strengthen how welfare-reform risks are managed by creating a single corporate-level approach that co-ordinates activity across the council and the work of others to provide adequate assurance that all the necessary and appropriate actions to mitigate risk are taking place.</p>	<ul style="list-style-type: none"> • Flintshire’s Tackling Poverty Partnership is developing a strategic overview of welfare reform mitigating activities to ensure a coordinated approach amongst key stakeholders that maximises effective use of resources and promotes optimum outcomes. 	<ul style="list-style-type: none"> • To help working age tenants, who currently receive Housing Benefit, to effectively prepare for the changes and challenges that being a UC claimant will pose for them Social Housing and advice/support providers will need to develop close working relationships.
<p>5. Improve engagement with tenants affected by the removal of the spare-room subsidy through:</p> <ul style="list-style-type: none"> • the provision of regular advice and information on the options open to them to address the financial impact of the change in their circumstances; • the promotion of the ‘Your benefits are changing’ helpline; and • the provision of support to tenants specifically 	<ul style="list-style-type: none"> • FCC Welfare Reform Response Team led the positive work to assist FCC tenants to identify and implement solutions in order to manage the problems caused by the reduction in their HB award. The Welfare Reform Response Team is now working with applicants applying for a discretionary housing payments to help them to help themselves to reduce their dependency upon such payments. 	<ul style="list-style-type: none"> • Social housing providers will need to maintain their proactive engagement and support programmes with working age tenants in order to prepare them for the future changes to their social security entitlements, generated by the next phase of welfare reforms which aims to cut expenditure on working age benefits by £12 billion pa from 2016.

<p>affected by the removal of the spare-room subsidy to participate in regional/national employment schemes.</p>	<ul style="list-style-type: none"> The 'Empowering Flintshire's Front Line Project' is ensuring that a wider audience of practitioners develop the knowledge, skills and confidence to be able to advise and support their residents impacted by the welfare reforms on a range of social welfare issues. 	
<p>6. Establish a set of minimum service standards on lettings and transfers to ensure that tenants affected by the removal of the spare-room subsidy receive a minimum standard of service from their landlord.</p>	<ul style="list-style-type: none"> The implementation of a Common Housing Register in Flintshire in April 2015 and the ongoing development of the Single Access Route to Housing Project (SARTH) across the North East Wales sub region will enable best practice to be incorporated across social landlords. 	<ul style="list-style-type: none"> The introduction of the Housing (Wales) Act 2014 and the new person centred homeless prevention service will only be attained through effective cooperation between FCC and Registered Social Landlords.
<p>7. Improve management, access to and use of Discretionary Housing Payments by:</p> <ul style="list-style-type: none"> establishing a clear policy or guide that is available in hard copy and online to the public that sets out the council's policy and arrangements for administering Discretionary Housing Payments; clearly defining eligible and non-eligible housing costs covered by Discretionary Housing Payments in application forms, policy documentation and 	<ul style="list-style-type: none"> FCC has an established discretionary housing payment policy (agreed by Members) covering all the recommended areas. The policy is accessible to applicants and representatives' organisations in hard copy and online. FCC continues to proactively work with discretionary housing payment claimants to assist some to reduce their dependency on DHP, whilst identifying those who will be in need of this type of support for a considerable period of time. 	<ul style="list-style-type: none"> The impact for social housing tenants of the reduction in the level of the discretionary housing payment grant, provided to FCC by the Department for Work and Pensions for 2015/16, and the continuation of the spare room subsidy and Universal Credit in their current formats will be closely monitored.

AUDITOR GENERAL FOR WALES REPORT ON IMPACT OF WELFARE REFORM - FLINTSHIRE COUNTY COUNCIL PROGRESS AGAINST RECOMMENDATIONS

<p>applicant guidance leaflets;</p> <ul style="list-style-type: none">• clearly setting out the maximum/minimum length of time that such payments will be provided;		
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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **COMMUNITY & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE**

DATE: **WEDNESDAY, 20 MAY 2015**

REPORT BY: **CHIEF OFFICER (COMMUNITY AND ENTERPRISE)**

SUBJECT: **WELSH GOVERNMENT CONSULTATION ON COUNCIL TAX PREMIUMS FOR SECOND HOMES AND LONG TERM EMPTY PROPERTY**

1.00 PURPOSE OF REPORT

- 1.01 To provide scrutiny members with information on Welsh Government (WG) Consultations seeking views on the policy of giving Local Authorities discretionary powers regarding a council tax premium that they can apply to second homes and long term empty homes.
- 1.02 The purpose of the report is also to provide scrutiny members with the opportunity to comment on the latest consultation proposals and for comments or observations of scrutiny to be considered by cabinet prior to endorsing the responses as prepared by officers.

2.00 BACKGROUND

- 2.01 The Housing (Wales) Act 2014 was introduced to tackle problems of housing shortages in Wales. One of the measures contained in the Act is the provision for local authorities to charge a council tax premium at a level of up to 100% above the normal level of council tax on long term empty homes in their areas.
- 2.02 A number of respondents to previous consultations also highlighted the difficulties the prevalence of second homes can cause in communities. As a result, Welsh Government introduced further provisions giving local authorities discretionary powers to charge a council tax premium on second homes.
- 2.03 The consultation proposals to introduce a council tax premium on long term empty homes and second homes in Wales is similar to proposals introduced in England and Scotland. Unlike the Scottish and English schemes, the Welsh provisions generally also allow for a 'stepped approach' to charging the premium, with an increasing amount over time (up to a maximum of 200%) rather than a single fixed level of premium.

3.00 CONSIDERATIONS

- 3.01 The consultation papers seek views on the circumstances in which some long term empty or second homes might be exempt from the premium for time limited periods or indefinitely in some cases (i.e. they fall out of scope for charging the additional premium of up to 100% extra council tax). This is to ensure owners of long term properties, in certain circumstances, are not immediately affected by the premium.
- 3.02 For long term empty homes, the ability to charge a premium rate of Council Tax (up to an extra 100% beyond the normal rate) could therefore apply in circumstances where a property is unoccupied after time limits as indicated:
- Unoccupied property belonging to members of the Armed Forces who are living away in Armed forces accommodation – **exempt from premium without time limits**
 - Empty and substantially unfurnished properties – **12 months**
 - Unoccupied property where the only resident has passed away and probate has been granted – **12 months**
 - Empty properties undergoing major repairs – **18 months**
 - Empty and unfurnished properties being marketed for sale/let – **24 months**
- 3.03 In relation to second homes, local authorities already have discretion to vary council tax discounts or not to apply a discount. The current policy of the Council is not to award a discount on second homes.
- 3.04 Local authorities will, however, also have new local powers to charge a council tax premium on second homes though WG also propose a number of exemptions, some of which are time limited, for owners of second homes so they are not immediately affected by the council tax premium.
- 3.05 The ability to charge a premium rate of Council Tax on certain second homes (up to an extra 100% beyond the normal rate) could therefore apply even in circumstances and after time limits as indicated:
- Annexes - **exempt from premium without time limits**
 - Job related dwellings - **exempt from premium without time limits**
 - Caravan pitches and boat moorings - **exempt from premium without time limits**
 - Unoccupied property where probate has been granted – **12 months**
 - Properties being marketed for sale/let – **24 months**

4.00 RECOMMENDATIONS

- 4.01 For scrutiny members to consider and comment on the proposals to exempt certain properties from the Council Tax premium as laid out in the consultation enabling all feedback to be considered by cabinet prior to endorsing the responses as prepared by officers.

5.00 FINANCIAL IMPLICATIONS

- 5.01 Any additional funds raised through the council tax premium on second homes or long term empty homes would be retained locally and would not be incorporated into the tax base for the calculation of Revenue Support Grant.
- 5.02 Welsh Government are recommending that any additional funds generated by this policy are deployed in such a way to address local housing needs and to alleviate some of the impacts second homes and long term empty properties can have on local communities. These include impacts on the availability of affordable housing for example.

6.00 ANTI POVERTY IMPACT

- 6.01 Using the local tax system, there could be a potential increase in long term empty homes becoming available in the private rented sector by encouraging owners of empty property to bring these back into use.
- 6.02 Inevitably, there is fine line between charging a council tax premium on long term empty property as an incentive to bring empty property back into use and not placing an additional financial burden on the owners of such properties who may face genuine difficulty in disposing of property or bringing property back into use. The proposals in this consultation to provide a number of exemptions from the council tax premium and strike a sensible balance.

7.00 ENVIRONMENTAL IMPACT

- 7.01 None

8.00 EQUALITIES IMPACT

- 8.01 None

9.00 PERSONNEL IMPLICATIONS

- 9.01 None

10.00 CONSULTATION REQUIRED

10.01 The purpose of the report is to provide scrutiny members with the opportunity to comment on the latest consultation proposals and for any comments or observations of scrutiny to be considered by cabinet prior to endorsing the responses as prepared by officers in the Revenues service.

11.00 CONSULTATION UNDERTAKEN

11.01 This latest Welsh Government consultation builds on two previous consultations undertaken in 2012 and 2013 and as part of the development of proposals contained in the Housing (Wales) Act 2014 to introduce a council tax premium on second and long term empty homes.

11.02 The Council's final response to the latest consultations on exemptions from the Council Tax premium will be considered by cabinet at the May meeting which will also take into account any comments or observations from scrutiny committee.

12.00 APPENDICES

12.01 Appendix 1 and 2 to this report contains the recommended responses to the latest consultation papers.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS

- Housing (Wales) Act 2014
- Welsh Government Consultations (WG 22894, WG 22895) on Exemptions to the Council Tax premium on Second Homes and Long Term Empty Homes in Wales

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Unoccupied properties, which have become vacant due to the death of the owner or tenant, are exempt from Council Tax until probate is granted. This exemption even continues for a further six months after probate has been granted. After that, properties become liable for the full rate in line with current Council policy.

Welsh Government recognise that it may be some time to determine the future use or disposal of a property once probate has been granted and these type of properties can be deemed to be a second home for many people who may have inherited a property. As a result, WG proposes to exempt these properties from the premium for 12 months after the grant of probate.

Should Class F properties considered to be second homes be given an exemption from the premium until 12 months after probate or letters of administration have been granted?

Recommended Response

Yes

Annexes attached to another property are treated as separate properties for Council Tax and annexes are exempt altogether when they are occupied for a dependant relative of pensionable age or who is disabled. An unoccupied annex is also exempt when it forms part of another property and may not be let separately from the other dwelling without a breach of planning control.

If an annexe is not covered by either of these exemptions, is furnished and is not a sole or main residence of someone, it could be liable for the council tax premium as a second home.

As a result, it is proposed that furnished properties which form annexes in a property which is also being used as part of the main residence or dwelling in that property should be exempt from the premium on second homes. For example, this could cover annexes which are used for the periodic accommodation of family members or adult children.

It is not intended this exemption would apply to annexes which are let out as short-stay accommodation including holiday lets. Hence, this type of accommodation could be subject to a council tax premium.

Should furnished Annexes which are treated as part of the main dwelling be exempt from the Council Tax premium on second homes? Do you think annexes which are let out as short-stay accommodation should not be exempt from the premium?

Recommended Response

Furnished but unoccupied annexes which are effectively part of the main dwelling should be exempt from the premium. However, annexes which are let out as short term accommodation on a commercial basis, such as holiday lets, should not be exempt and instead be subject to the council tax premium provisions in the same way as all other holiday homes.

WG propose that where an owner of a second home (i.e. a furnished property that is not the 'sole and main residence' of any individual) is taking genuine steps to bring their property back into use as a sole and main residence by marketing it for sale or renting out, the property should be exempt from the Council Tax premium for a period of 2 years. This means the premium would only apply if at the end of the two year period a property which is still for sale but furnished could attract a Council Tax premium.

Should owners of properties actively being marketed for sale or let be exempt from the Council Tax premium on second homes? If so, what evidence should owners be required to show to prove their property is actively being marketed for sale or let?

Do you think an exemption from the premium for two years for properties being marketed for sale or let is a reasonable period to enable the owners to bring them back into use?

Would it be more appropriate to provide guidance to Local Authorities on the application of this

exemption rather than setting out its application in legislation?

Recommended Response

Yes, the Council would support the introduction of an additional safeguard of a two year exemption period to support owners of second homes who are genuinely looking to dispose of a property.

The Council would recommend that owners must be expected to demonstrate they are actively and continuously marketing the property for sale or let at a reasonable local market rate, when compared to comparable property being advertised in the locality.

Evidence would need to be submitted to the Council showing the property is being continuously marketed throughout the duration of the exemption period and such evidence should also prove the property is actively marketed by an accredited property/sale or letting website.

Where a taxpayer's main home comes within the definition of a 'job-related dwelling', local authorities must provide a 50% discount for their second home. A job related dwelling is prescribed as job related if it is provided by reason of a person's employment and it is essential for the proper performance of the duties of the employment. Examples of these type of dwellings include homes provided for live-in teachers or publicans.

Without an exemption, the second home could be liable for the council tax premium. WG proposes that an exemption to the premium should apply to second homes where a person's main home is a 'job related dwelling'.

It is also proposed that the exemption is not intended to apply where a liable person has a second home which is their job-related dwelling. To be eligible for the proposed exemption, the liable person is required to live in the job-related property and only occupy the second home occasionally.

Should owners of second homes whose main residence is a job-related dwelling be exempt from the Council Tax premium? What evidence should owners of second homes have to provide to prove that they live in job-related dwellings? Do you think the exemption should only cover people regarded as living in job-related accommodation?

Do you think an additional exemption is required to ensure that Ministers of Religion who own a second home are exempt from the premium?

Do you think an additional exemption is required to ensure that personnel residing in accommodation provided by the Armed Forces and who own a second home are exempt from the premium? Do you think that the exemption from the premium for job-related dwellings should only apply if the job-related dwelling is in the UK?

Recommended Response

The Council supports the principle of exempting owners of second homes from the council tax premium where the person must live elsewhere, only in the UK, because of their employment.

Owners should provide documentary evidence to demonstrate that the live in property is job-related. Such evidence should include a copy of a contract or a supporting statement from the employer to confirm the lived in property is provided as a condition of employment.

This exemption should only cover people regarded as living in 'job related accommodation and there are no further exemptions required. There is sufficient scope within this 'job related' exemption to also exempt Ministers of Religion and Armed Forces Personnel who may otherwise fall to become liable for the council tax premium.

There is currently a mandatory 50% discount for dwellings that consist of a pitch occupied by a caravan or a mooring occupied by a boat where they are not a person's sole and main residence.

WG want to ensure caravans and boats that are eligible for this discount continue to receive the discount. As a result, WG proposes to exempt these caravan pitches and boat moorings from the council tax premium

Should pitches occupied by caravans and moorings occupied by boats be exempt from the Council Tax premium?

Recommended Response

Yes, retaining the status quo is recommended for empty pitches or moorings.

Local authorities have discretionary powers around the level of discount, if any, that applies to properties which are furnished, are not any person's sole and main residence, and the occupation is prohibited by law for a continuous period of 28 days or more in a year. These type of properties tend to be classed as 'seasonal homes' and encompass a broad range of properties but mainly caravans and purpose built holiday homes which cannot be lived in all year due to planning restrictions.

Are there any types of seasonal homes which you believe should be exempt from the Council Tax premium? If so how do you think they should be identified and defined in legislation?

Recommended Response

No. There are no other types of seasonal homes that would need to be exempted from the council tax premium proposals.

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There is currently an exemption from Council Tax for up to six months for properties that are unoccupied and unfurnished. Welsh Government proposes to retain the 6 month exemption and for local authorities to retain discretionary discount to offer a further discount or charge up to the full rate council tax after six months.

There is no intention to change the discretionary discount scheme, but local authorities will also have the power to charge a premium of up to an additional 100% of the Council Tax for properties which have remained unoccupied and unfurnished for at least one year.

Should the six-month exemption period be retained for unoccupied and substantially unfurnished dwellings?

Recommended Response

Yes. The Council welcomes proposals that retain current exemption but would effectively allow a tiered charging approach for unoccupied and unfurnished properties, i.e. no charge for month 1-6, full charge for month 6-12, potential double charge after month 12

There is currently an exemption from Council Tax for up to twelve months for properties requiring or undergoing major repair work to render them capable for habitation.

The Welsh Government does not want to unfairly penalise an owner of an empty property is undertaking major repair work only to become liable for the Council Tax premium after 12 months. WG propose that these properties would only become liable for the premium if they remain unoccupied and unfurnished after 18 months

Do you think an exemption to the premium for properties undergoing major repair work is required? If so, is 18 months a reasonable length of time for major repair or structural alteration to be completed and for the property to be brought back into use?

Recommended Response

Yes, the Council again welcomes proposals that would effectively allow a tiered charging approach for properties that are undergoing repair, i.e. no charge for month 1-12, full charge for month 12-18, and potential double charge after month 18.

Unoccupied properties, which have become vacant due to the death of the owner or tenant, are exempt from Council Tax until probate is granted. This exemption even continues for a further six months after probate has been granted. After that, properties become liable for the full rate in line with current Council policy.

Welsh Government recognise that it may be some time to determine the future use or disposal of a property once probate has been granted. As a result, WG proposes to exempt these properties from the premium for 12 months after the grant of probate, but local authorities will still be able to charge the full rate after six months of probate being granted.

Should these properties be given an exemption from the premium until 12 months after probate or letters of administration have been granted?

Recommended Response

Yes

There is already special provision for armed forces accommodation under the Council Tax system. WG proposes that the Council Tax premium should not apply to members of the armed forces who own a property which is unoccupied and unfurnished while they are living in accommodation provided by the armed forces.

Should Armed Forces personnel who own a property which is unoccupied and unfurnished be exempt from the Council Tax premium on long-term empty homes?

Recommended Response

Yes, the Council recognise the important role of the armed forces and steps to exempt this type of empty property from the premium would be welcomed by the Council

Annexes attached to another property are treated as separate properties for Council Tax and annexes are exempt altogether when they are occupied for a dependant relative of pensionable age or who is disabled. An unoccupied annex is also exempt when it forms part of another property and may not be let separately from the other dwelling without a breach of planning control.

It is recognised by WG that there are circumstances where owners might have adapted their homes to provide accommodation for a dependent relative, but the annexe is no longer required for this purpose. WG propose exemption for these type of properties should they become unoccupied and unfurnished which have previously been used by a dependant relative.

Should there be an additional exemption from the Council Tax premium for unoccupied and substantially unfurnished annexes which are treated as part of the main dwelling?

Recommended Response

Yes

WG propose that where an owner of a long term empty property (i.e. usually a property left empty for six months or longer) is taking genuine steps to bring their property back into use by marketing it for sale or renting out, the property should be exempt from the Council Tax premium for a period of 2 years from the date the property first became unoccupied. This means the premium would only apply if at the end of the two year period a property which is for sale and still empty could attract a Council Tax premium.

Should owners of properties actively being marketed for sale or let be exempt from the Council Tax premium on long-term empty homes? If so, what evidence should owners be required to show to prove their property is actively being marketed for sale or let?

Do you think an exemption from the premium for two years for properties being marketed for sale or let is a reasonable period to enable the owners to bring them back into use?

Would it be more appropriate to provide guidance to Local Authorities on the application of this exemption rather than setting out its application in legislation?

Recommended Response

Yes, the Council would support the introduction of an additional safeguard of a two year exemption period to support owners who are genuinely looking to dispose of a property.

The Council would recommend that owners must be expected to demonstrate they are actively marketing the property for sale or let at a reasonable local market rate, when compared to comparable property being advertised in the locality.

Evidence would need to be submitted to the Council showing the property is being continuously marketed throughout the duration of the exemption period and such evidence should also prove the property is actively marketed by an accredited property/sale or letting website.

In order to retain some flexibility around the application of this exemption, it would be better to allow each local authority to determine whether a property is genuinely being marketed for sale. The development of a simple guidance document by WG would be useful to ensure that each local authority is administering this exemption in the same way.

Are there any other exemptions to the Council Tax premium on long-term empty homes which should be considered?

Recommended Response

No

Should any other existing exemptions to Council Tax be reviewed in light of the introduction of the premium?

Recommended Response

No

To assist with the fair and consistent implementation of this policy, WG aim to provide guidance to local authorities which they must have regard to when developing local policy. This guidance will be issued before local authorities consider whether or not to implement the premium. It is intended that guidance will include information to support all administration of the premium and the application of proposed exemptions including the evidence that would normally be used to consider whether a property is being actively marketed for sale or let.

Do you think guidance should cover these areas? Are there any other areas which should be covered in guidance for Local Authorities?

Recommended Response

Yes, guidance should cover all aspects of exemptions.

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **COMMUNITY & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE**

DATE: **WEDNESDAY, 20 MAY 2015**

REPORT BY: **CHIEF OFFICER (COMMUNITY AND ENTERPRISE)**

SUBJECT: **DELIVERY OF THE HOUSING REGENERATION & STRATEGY SERVICE**

1.00 PURPOSE OF REPORT

1.01 To gain Scrutiny Committee views on the activity of the Housing Regeneration & Strategy Service during 2014/15.

2.00 BACKGROUND

2.01 The main driver for this Service is the Welsh Government's National Housing Strategy called 'Improving Lives and Communities', principally the sections titled 'More Housing, More Choice and Improving Homes and Communities.'

2.02 The current year has also seen the introduction of the Housing (Wales) Act 2014. This is the first opportunity the Welsh Government had to legislate in the area of housing, following the devolution of further powers from Westminster. In doing so the Act has raised the priority and profile of the strategic housing function in Wales and also brought with it further funding, duties and responsibilities.

2.03 It will increasingly become a challenge to meet all the aspirations of Welsh Government policy and legislation moving forward, considering the financial situation locally and nationally. There will be a need for more emphasis on sub regional and regional working. This is an area where Flintshire and the Service has been leading proactively, an example of this is the administration of empty property loan funding.

2.04 The Service, not uncommon with others, has lost staff members over the last 12 months. This has caused pressure in some areas, most notably in the provision of disabled facilities grant and affordable housing. The main body of the report will discuss performance in these areas in greater depth.

2.05 Despite the above, the Service has achieved great success this year, completing repairs, improvements and adaptations to 1077 homes. In addition it has brought 30 long term vacant homes back in to use and supported the development of 56 housing association homes, through

the Social Housing Grant (SHG) programme. The Service therefore has a significant positive impact on the sustainability of local communities.

- 2.06 In recent years the Service has become increasingly reliant on external funding; principally grant funding from Welsh Government and private sector funding from utility companies. This has seen the service move from being 100% council funded in 2009 to approximately 30% council funded and 70% from external sources in the last financial year.
- 2.07 This funding is welcome and has allowed the Service to significantly expand its activity, particularly in the areas of empty homes and energy efficiency. However, bidding for external resources and subsequent reporting back to the funders is highly intensive work and the Service needs to consider how it will resource this to ensure it does not miss out on future external funding.
- 2.08 The Service has also retained its Customer Service Excellence accreditation, following an external assessment visit during September 2014. The assessor met with both staff and partners, in addition to conducting visits to customers at home. Feedback was positive and the Service remains the only one in the council to hold the accreditation.

3.00 CONSIDERATIONS

- 3.01 The council has a statutory duty to provide Disabled Facilities Grants if the applicant meets the eligibility criteria and means test. The Service has completed 232 disabled adaptations in this reporting period.
- 3.02 Delivery of private sector disabled adaptations is the subject of a national performance indicator and is monitored from the date of assessment to the date of completion of the works on site. The outturn of this PI in 2013/14 was 246 days. Unfortunately the outturn of the PI in 2014/15 is 307 days.
- 3.03 Performance in this area will be a key focus for the current financial year. Filling vacant posts and/or greater collaborative working with our third sector partner Care & Repair North East Wales will be undertaken to restore timescales to the levels seen in 2013/14, which exceeded the Wales average.
- 3.04 Despite the deterioration in the timescales, customer satisfaction levels remain high with positive feedback consistently in 95%+ of cases. This is testament to the emphasis placed on good customer service and formed part of the evidence to retain the Customer Service Excellence award.

- 3.05 As part of the commitment within the Council's Improvement Plan for 2013/14 to reduce fuel poverty, the Service has delivered a significant energy efficiency retrofit programme. This continues to be a priority as it is estimated that up to 18,000 households in the county are currently in fuel poverty. Energy efficiency interventions have been provided in 839 homes, consisting of external wall insulation, gas infill, heating upgrades and solar PV.
- 3.06 This work has been delivered to both council and private homes. In terms of council properties the Welsh Housing Quality Standard sets a minimum energy rating of SAP 65. In council homes which have received external wall insulation, heating upgrades and solar PV their energy ratings have reached between SAP 80 to SAP 90. This has resulted in significant energy savings for tenants.
- 3.07 In September 2014 the energy team was recognised for its achievements as a finalist in APSE's UK annual service awards held in Nottingham. The submission was based on the overall service provided by the team rather than a focus on a particular project, with the aim of the submission to benchmark performance against other Local Authorities delivering similar services across the UK.
- 3.08 The Welsh Government (WG) continues to place significant focus and resources on the return of long term vacant properties in to use. The council's allocation of Houses into Homes funding continues to be recycled and a further £185,000 of new loans were provided in the current year with a further £100,000 committed to existing projects in progress.
- 3.09 A further allocation of £570,000 has been provided for Houses into Homes loans in 2014-16. This includes an additional £90,000 provided from another local authority that was not able to take up the allocation and this was offered to Flintshire on the basis of confidence in delivery.
- 3.10 The Service continues to manage the original Houses into Homes funding for the North Wales Region, acting as regional banker. The additional resource discussed in the previous paragraph has been distributed to individual local authorities. Whilst there are benefits to holding this resource for the region, in terms of a small amount of interest accrued on the balance, ensuring the proper accounting treatment for monies for the entire region is labour intensive. Therefore, with the support of the Houses into Homes Regional Group a request is to be made to WG to distribute all recycled sums held for each local authority as per their original allocation and end the banker role for Flintshire.
- 3.11 Alongside the additional Houses into Homes funding the Service has been allocated £570,000 by WG for Home Improvement Loans, which again includes an additional £90,000 from another council's allocation.

The resource will allow the Service to significantly upscale its Home Loans service, with a complimentary loan product to the existing offer. The council's resource will continue to be allocated to the most vulnerable (those in receipt of an income based means tested benefit.)

- 3.12 However, the new WG product is available to any property owner who can demonstrate that they would have difficulty in accessing a loan from a mainstream lender at reasonable rates. This loan is also available to private landlords and is designed to complement the new opportunity the council has to discharge its homelessness duty in to suitable accommodation in the private rented sector.
- 3.13 A total of 7 loans were completed in the 2014/15 financial year. A further 21 approved loans, with a total value of £450,000, are now progressing to work on site and will complete within the current financial year. As additional WG resources have been provided, the Service is intending to run a publicity campaign to ensure all external resources are appropriately expended.
- 3.14 The Service also continues to deliver the Group Repair Scheme across Connah's Quay, Shotton and Queensferry. A total of 53 properties were completed as part of the Scheme in 2014/15. The scheme value was a total of £960,000 as a combination of WG Specific Capital Grant for Renewal Areas, Vibrant & Viable Places funding, owner contributions and council funding.
- 3.15 Group repair work included roofing, new windows, doors, pointing, damp proofing, boundary walls and fencing. In addition the scheme also included for the first time external wall insulation to previously rendered properties and gable ends of terraced streets.
- 3.16 The decision to engage two local contractors to deliver the scheme, rather than a larger principal contractor from outside the area, has seen customer satisfaction increase. It has also delivered community benefits. There is an expectation placed on the council around local labour, supply chain along with employees and apprentices for any WG funded Scheme.
- 3.17 The community benefits reported for the Scheme are as follows: -
- Number of traineeships on the project – 1 No Apprentice
 - Number of traineeship leavers progressing to further learning (at a higher level) on the project – 1 progressed from Level 2 to Level 3
 - Number of traineeship leavers progressing to employment on the project – 0 however the Apprentice will complete his studies in June 2015 and become a permanent member of staff
 - Number of jobs accommodated (created or enabled through regeneration investment) – 3
 - Number of jobs created in the construction sector as a result of

Welsh Government regeneration investment – 3 as above

- Gross jobs created – 3 with 37 jobs safeguarded

- 3.18 In addition to the directly delivered capital schemes, the Service also manages the WG Social Housing Grant Programme (SHG). The council currently has a 3 year programme of £1,577,000 per year and can provide up to a maximum of 58% grant to housing associations. During the last financial year the council was successful in obtaining an additional £860,000 in Social Housing Grant, as other council's were not in a position to take up their full allocation.
- 3.19 The success of Flintshire lies with the design of the three year programme and the confidence and ability of housing associations to invest in Flintshire. This funding supported the development of 56 new homes across Flintshire in 2014/15.
- 3.20 In addition the Service supports the development of affordable housing through the administration of monies provided through Panning contributions in the form of Section 106 contributions. This contribution is the subject of a legal agreement between the developer and the council when permission has granted.
- 3.21 A payment is required where the development comprises of more than 25 dwellings, or is in an area which has already met its perceived need for growth. The council will accept contributions in the form of gifted units, equity shares, or if a need for on site provision can not be demonstrated, a commuted sum. There is currently £500,000 held in the form of a commuted sum for affordable housing and a new policy is under development for their use in the communities from which they were derived. This will be the subject of a report to Cabinet in June.
- 3.22 As part of the development of new ways of working the service retains an Occupational Therapist. The role works closely with clients where there is a direct housing need arising out of their disability. The OT is required to work closely with the council's housing access team, housing associations and private accommodation providers to find solutions to the most difficult cases. Two case studies are appended to this report as an example of activity and the positive outcomes achieved.
- 3.23 Finally the team has appointed a temporary Environmental Health Officer, utilising resources provided for implementation of the new homelessness duties contained within the Housing Act. This Officer has started piloting a new approach known as Healthy Homes. The aim of the initiative is to take a holistic approach to improvements in the private rented sector.
- 3.24 Whilst the Council has a statutory duty to respond to complaints regarding poor living conditions, Flintshire Healthy Homes will look at a more holistic response to the full range of home based hazards.

- 3.25 The scheme will rely on effective inter-agency working and by using a simple single assessment form which refers to services such as fire safety, home improvements, energy efficiency measures/assistance, adaptations, debt advice, tenancy support and full housing inspections where serious hazards are identified.
- 3.26 The main areas that will be covered by this pilot are:
- Those tenants living in private rented accommodation which have disrepair issues
 - Those tenants who are on the housing waiting list and living in private rented properties with disrepair issues
 - Those tenants who are living in temporary accommodation.
 - Those tenants experiencing difficulties maintaining their tenancy or having landlord -tenant relationship breakdown.
- 3.27 A number of 'Healthy Homes' visits have already been carried out and have resulted in the tenants benefitting from additional support on energy efficiencies measures, tariff advice and some have had their fuel bills reduced.
- 3.28 All of the support mechanisms current exist through the council and its partners; and is provided on a daily basis, but delivering it via Healthy Homes and the new EHO highlights need, coordinates activity and will ensure that the most vulnerable residents within Flintshire can access it.

4.00 RECOMMENDATIONS

- 4.01 That Members review and provide feedback on the activity of the Housing Regeneration & Strategy Service during 2014/15.

5.00 FINANCIAL IMPLICATIONS

- 5.01 The Housing Regeneration & Strategy Service receives funding in the form of Council Fund Capital, Welsh Government Grants including Vibrant & Viable Places, Specific Capital Grant for Renewal Areas, Arbed.
- 5.02 Private sector funding sources include utility companies and Section 106 contributions from property developers.

6.00 ANTI POVERTY IMPACT

- 6.01 The Service supports an anti poverty impact through providing financial assistance to repair, improve and adapt homes. It also support the building of social homes and affordable homes. It also supports a reduction in fuel poverty.

7.00 ENVIRONMENTAL IMPACT

7.01 The Service supports a reduction in carbon emissions through its energy efficiency retrofit work.

8.00 EQUALITIES IMPACT

8.01 The Service is provided on an equitable basis to and equality impact assessments are undertaken as and when appropriate.

9.00 PERSONNEL IMPLICATIONS

9.01 There are no personnel implications as a direct result of this report.

10.00 CONSULTATION REQUIRED

10.01 There is no consultation required as a direct result of this report.

11.00 CONSULTATION UNDERTAKEN

11.00 No consultation has been undertaken as a direct result of this report.

12.00 APPENDICES

12.01 Case Study 1

12.02 Case Study 2

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

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Case Study – Mr X

Background

The Housing Occupational Therapist (O.T.) was approached by Mr X's Social Worker in April 2014. The O.T. was informed that Mr X, a 45 year old man, was diagnosed with a progressive form of Multiple Sclerosis in 2002. Mr X was living with his mother in her two storey property, he was bed bound residing in his small bedroom on the first floor of the property. When assessed by the O.T. Mr X had no weight bearing ability and was unable to use his right upper limb, he had some limited use of his left upper limb enabling him to operate a computer using a mouse.

Although the property had previously been adapted with a stairlift, the progressive nature of his condition meant that Mr X was unable to mobilise to the stairlift and lacked the stability to sit safely on the stairlift; consequently Mr X had not left his bedroom for 3 years and had been unable to attend medical appointments.

Whilst it was feasible to further adapt the property, Mr X's mother was unwilling to agree to adaptations and refused equipment to maximise his independence.

Mr X had a formal care package, receiving three visits a day, he was also reliant on assistance from his mother with personal care and toileting. Unfortunately his Mother was also experiencing failing health and struggling to cope with his care needs, she had previously been admitted to hospital and had refused for the carers to attend to Mr X whilst she was not in the home, resulting in a stay in residential care; consequently there were tensions in the relationship between Mr X and his mother. Mr X's Social Worker was concerned regarding the impact his home environment was having on his physical and mental wellbeing.

Furthermore, Mr X had been liaising with the Affordable Housing Officer regarding privately purchasing a purpose built property. Whilst Mr X was keen to progress with this option, he was aware that this would take time and he felt vulnerable living under the control of his mother. The O.T. was asked to create the specification for the new build, ensuring that the property would be suitably designed to meet Mr X's long term needs. The O.T. was also asked to look at temporary housing until the new build property would be complete.

Re-housing

The Housing O.T. was informed regarding a ground floor partially adapted flat situated 2 miles from Mr X. Upon inspection, the O.T. felt that, with some minor adaptations, the flat would meet Mr X's short term needs. Whilst Mr X was apprehensive he agreed to move into the property and was able to purchase new furniture, carpets and blinds over the internet. The provision of a ramp and ceiling track hoist was arranged. A telecare system and keysafe were also installed. Mr X was also provided with a posture chair and shower chair. Additional Locks were fitted onto the window to appease Mr X's concerns regarding safety.

With assistance of the Moving and Handling Specialist O.T. Mr X was moved from his mother's house to his new flat. By the end of the day Mr X declared "I'm happy, I've made the right decision".

Independent Living

The provision of a key safe enables carers access into the property. Carers visit four times a day to provide the care Mr X requires. Mr X has access to a telecare alarm and can raise the alarm at any time. A ceiling track hoist has been fitted in the bedroom and living room which enables him to sit in his chair in either the bedroom or living room. Mr X is also hoisted onto the shower chair and showered in the bathroom. Mr X is able to attend to medical appointments and has now been assessed for an electrical wheelchair.

The Future

The OT recommendation for the new build property was issued to a Housing Association and they have been liaising with Mr X regarding the build. In addition to ceiling track hoists, widened doorways and fully adapted bathroom the recommendation includes a complete environmental control unit and door release entry system to maximise Mr X's independence. Mr X has been issued with plans and a copy of the design of the bungalow, when he was told that the building work would start in March 2015 and the bungalow would be ready by December 2015 he was delighted and exclaimed "I didn't think it would happen, I'm really excited".

Case Study – Mr Y

Background

Mr Y is a 39 year old gentleman who has spina bifida and is wheelchair dependent. Mr Y works full time and was living at home in his parent's property, he was striving to maximise his independence by moving into his own property but was unable to afford to privately rent a property. Mr Y had applied for housing through Flintshire County Council; due to his housing needs his details were placed on the Specialist Housing Register.

Re-housing

The Housing Occupational Therapist (O.T.) was informed regarding a partially adapted ground floor , two bedroom, maisonette in Mr Y 's chosen area. Upon inspection of the property the O.T. recognised the opportunity and potential to fully adapt the property for a wheelchair user. The Specialist Housing Register was consulted and Mr Y's details were identified as a possible match for the property. The Housing O.T. visited Mr Y and reviewed the Housing Report which had been completed two years previously; following review the O.T. was satisfied that the property could be further adapted to meet Mr Y's long term needs.

Further adaptations were carried out to the property, these included the provision of a washer dryer toilet, widening the doors to the kitchen, bedroom and living room, lowering of light switches, the provision of ramped access to the property and the provision of a disabled kitchen.

Independent Living

Upon completion of the essential works Mr Y moved into the adapted flat. The O.T. further assessed for and provided a self propelling shower chair for use in the wet area shower, this enabled Mr Y to shower safely and independently. Mr Y was provided with a clos o mat toilet, enabling him to manage his hygiene independently when toileting. The adapted kitchen provided him with all facilities he needed to prepare meals safely and independently. The provision of ramped access enables him to access his car safely and continue to go to work.

Mr Y has friends living locally and is thrilled to be able to socialise in this own home.

The Future

Mr Y hopes to continue working full time and going to meet his friends in the local pub.

Mr Y and his parents are happy knowing that his home will meet his long term needs. His mother stated "I've always worried about him and how he'll manage when we're no longer here, now I don't feel I have to"

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FLINTSHIRE COUNTY COUNCIL

REPORT TO: **COMMUNITY & ENTERPRISE OVERVIEW & SCRUTINY COMMITTEE**

DATE: **WEDNESDAY 20TH MAY, 2015**

REPORT BY: **HOUSING AND LEARNING OVERVIEW & SCRUTINY FACILITATOR**

SUBJECT: **FORWARD WORK PROGRAMME**

1.00 PURPOSE OF REPORT

1.01 To consider the Forward Work Programme of the Community & Enterprise Overview & Scrutiny Committee.

2.00 BACKGROUND

2.01 Items feed into a Committee's Forward Work Programme from a number of sources. Members can suggest topics for review by Overview & Scrutiny Committees, members of the public can suggest topics, items can be referred by the Cabinet for consultation purposes, or by County Council or Chief Officers. Other possible items are identified from the Cabinet Work Programme and the Strategic Assessment of Risks & Challenges.

2.02 In identifying topics for future consideration, it is useful for a 'test of significance' to be applied. This can be achieved by asking a range of questions as follows:

1. Will the review contribute to the Council's priorities and/or objectives?
2. Are there issues of weak or poor performance?
3. How, where and why were the issues identified?
4. Do local communities think the issues are important and is there any evidence of this? Is there evidence of public dissatisfaction?
5. Is there new Government guidance or legislation?
6. Have inspections been carried out?
7. Is this area already the subject of an ongoing review?

3.00 CONSIDERATIONS

3.01 Overview & Scrutiny presents a unique opportunity for Members to determine the Forward Work Programme of the Committees of which they are Members. By reviewing and prioritising the Forward Work Programme Members are able to ensure it is Member-led and includes the right issues. A copy of the Forward Work Programme is attached at Appendix 1 for Members' consideration which has been updated following the last meeting.

4.00 RECOMMENDATIONS

4.01 That the Committee considers the draft Forward Work Programme attached as Appendix 1 and approve/amend as necessary.

5.00 FINANCIAL IMPLICATIONS

5.01 None as a result of this report.

6.00 ANTI POVERTY IMPACT

6.01 None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

7.01 None as a result of this report.

8.00 EQUALITIES IMPACT

8.01 None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

9.01 None as a result of this report.

10.00 CONSULTATION REQUIRED

10.01 N/A.

11.00 CONSULTATION UNDERTAKEN

11.01 Publication of this report constitutes consultation.

12.00 APPENDICES

12.01 Appendix 1 – Forward Work Programme

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

None.

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CURRENT FWP

Date of meeting	Subject	Purpose of Report	Scrutiny Focus	Report Author	Submission Deadline
1 June 2015	Work of Grwp Cynefin Housing Association	To enable the Committee to meet with representatives of Grwp Cynefin Housing Association.	Service Improvement	Presentation from Walis George	21 May 2015
	Allocation of Sheltered Accommodation	To review the Allocation Policy for Sheltered Accommodation	Service Improvement	Chief Officer (Community and Enterprise)	
8 July, 2015	Quarterly Performance Reporting	To consider Q4/Year End performance outturns for improvement targets.	Performance Reporting	Chief Officer (Community and Enterprise)	30 June 2015
	Update on Tenant Involvement	To consider tenants satisfaction results and the involvement of tenants in service improvements.	Performance Monitoring	Chief Officer (Community and Enterprise)	
	Update on North East Wales Homes & Property Management	To update Members on the work of the North East Wales Homes & Property Management	Performance Monitoring	Chief Officer (Community and Enterprise)	
	Review of Strategic Housing Partnership	To review the Strategic Housing Partnership	Service Delivery	Chief Officer (Community and Enterprise)	

REGULAR ITEMS

Month	Item	Purpose of Report	Responsible / Contact Officer
Quarterly / Annual	Performance Reporting	To consider performance outturns for improvement targets against directorate indicators.	Chief Officer (Community and Enterprise)
Six monthly	Private Sector Housing Renewal	To consider progress on the delivery of Flintshire's first Renewal Area, general service development and county wide projects.	Chief Officer (Community and Enterprise)
Annually	Update on Delivery of Choices Document	To receive an update report on the delivery of the Choices Document.	Chief Officer (Community and Enterprise)
Six monthly	Welfare Reform Update – including Universal Credit	To update Members on the impact of Welfare Reform and the cost to the Council.	Chief Officer (Community and Enterprise)
Six monthly	Update on North East Wales Homes & Property Management	To update Members on the work of the North East Wales Homes & Property Management	Chief Officer (Community and Enterprise)
Annually	Vibrant and Viable Places	To review progress made following the allocation of funding as part of the Vibrant and Viable Places Bid.	Chief Officer (Community and Enterprise)