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COUNTY COUNCIL
Thursday, 11th July, 2019

The use of Welsh by participants is welcomed. If you wish to use Welsh please inform us by noon, two working days before the meeting

S U P P L E M E N T A R Y P A C K

- 16.5 **Question to the Leader from County Councillor Lucy Roberts**
(Pages 5 - 8)
- 16.6 **Question to the Portfolio Holder for Corporate Governance, Housing and Public Protection from County Councillor Elwyn Vaughan**
(Pages 9 - 10)
- 16.7 **Question to the Portfolio Holder for Corporate Governance, Housing and Public Protection from County Councillor Joy Jones**
(Pages 11 - 12)
- 16.9 **Question to the Portfolio Holder for Corporate Governance Housing and Public Protection from County Councillor Roger Williams**
(Pages 13 - 14)
- 16.10 **Question to the Portfolio Holder for Corporate Governance Housing and Public Protection from County Councillor Matthew Dorrance**
(Pages 15 - 16)
- 16.13 **Question to the Portfolio Holder for Corporate Governance, Housing and Public Protection from County Councillor Elwyn Vaughan**

(Pages 17 - 18)

16.15 **Question to the Portfolio Holder for Corporate Governance, Housing and Public Protection from County Councillor Amanda Jenner**

(Pages 19 - 20)

16.20 **Question to the Portfolio Holder for Finance Countryside and Transport from County Councillor Pete Roberts**

(Pages 21 - 22)

16.5

CYNGOR SIR POWYS COUNTY COUNCIL

County Council
11th July 2019

REPORT AUTHOR: County Councillor Rosemarie Harris, Leader

SUBJECT: Question from County Councillor Lucy Roberts

I believe that one of the most important issues that the council should currently be addressing is that of Climate Change. We should be leading the way and demonstrating our commitment to our residents, particularly our children and young people who are the ones likely to suffer most if our world doesn't change. We have committed to removing single use plastics where possible and that is a start, but there is so much more we can do. One obvious move in the right direction would be to ensure that all new council built buildings, including houses/flats and schools are built to carbon neutral standards. Another would be to ensure that all council buildings use energy from sustainable sources. Can the leader confirm that this is already happening, and if not, give some assurance that such measures will be taken in the future? Can she also give a commitment that the council will work towards becoming carbon neutral across all services, setting an example to other councils, well ahead of the UK Government's deadline of 2050?

Response

1. Housing

The Welsh Government's Low Carbon Delivery Plan launched in March 2019 requires the public sector in Wales to develop and implement a range of carbon savings to meet the ambitious target of the Welsh public sector to be carbon neutral by 2030. To meet this target our New Development Project Officers within the Housing Team are currently working with Welsh Government Energy Officers as part of the design process on all our projects, as we work towards confirming our 5 year new build housing programme. This will help ensure we identify and explore all energy efficiency and renewable energy opportunities. We have also recently engaged the expertise of Cardiff Metropolitan University to consider opportunities for post occupancy monitoring of new homes built giving a commitment to continuous improvement and learning.

Our Home Grown Homes Partnership and associated corporate objective is exploring the use of sustainable local timber in construction. The Council's Wood Encouragement policy introduced in January 2017 is always recommended to all our Registered Social Landlords and is embedded in our tender documentation. Through this work, the Council has secured over £1.5M of funding from the Rural Development

Programme to undertake a supply chain study that Wood Knowledge Wales and its consortium are carrying out. The study has had a significant impact on the Innovative Housing Grant Programme in Wales which has resulted in an increased use in timber and in particular home grown timber. This will make a substantial and positive difference to both the energy efficiency of homes – reducing the risk of fuel poverty – and contributing to the decarbonisation outcomes of an 80% reduction being considered by the Welsh Government for all Welsh housing by 2050.

The Welsh Government Housing Division has confirmed that it accepts that wood is the preferred material to help address the carbon agenda and is very supportive of energy efficiency and renewable opportunities as part of its future grant funding. With vast areas off grid, Powys has a significant opportunity to explore a broad range of options and is in a strong position to apply for associated grant funding going forward.

The Council's housing service is reviewing its overall investment programme for council housing, to support investment over a thirty year Housing Revenue Account business plan to reach an energy efficiency rating of SAP81 for municipally owned housing. SAP is the Government's Standard Assessment Procedure for Energy Rating of Dwellings and uses a scale of 1 to 100, with a higher rating indicating a better level of energy efficiency. This target will be challenging, and will be dependent upon the development of new technologies.

2. Schools and Other Buildings

i. Sustainable Sources for New Buildings:

New-build Schools

Powys County Council's 21st Century Schools Programme, which is jointly funded by Powys CC and Welsh Government and will invest £200 million to improve the school infrastructure within the county strives to deliver new-builds with minimal impact on the environment. This is even more poignant now that WG have declared a 'climate emergency' and it is highly likely that there will be stronger emphasis on environmental impact, carbon neutral buildings and the use of sustainable heating methods as part of the funding criteria as the programme progresses.

The 5 new primary schools in the Gwernyfed catchment area have solar panels installed with a generating capacity of 10kW. Archdeacon Griffiths CIW School, which was the first school to open in January 2018, has seen a saving of 10% in carbon emissions. The schools are heated by gas, but all new builds have highly effective insulation strategies. Ysgol Carno which opened in March 2019 also has solar panels, with the new school being heated via the existing pellet biomass boiler at the Community Centre.

Using the local supply chain and sustainable local products is key to driving down environmental impact of new buildings and this is something that is targeted through continuous monitoring; the timber for the Welshpool CIW Primary School building was supplied from a local company based only 8 miles from the school site, for example.

A key and critical part of Powys CC 21st Century Schools Programme is to ensure that the pupils, staff, parents and wider communities learn about the environmental impact of their new building. Welshpool Church in Wales Primary School pupils and parents have been actively collecting newspapers to provide sustainable insulation (Warmcell insulation) for their new-build school and have had numerous educational classes from local leaders in the field, and this will be a key driver as new projects are launched.

Moving forward, Powys CC 21st Century Schools Programme will be aiming to achieve a BREEAM (Building Research Establishment Environmental Assessment Method) 'Excellent' or 'Very Good' rating for every standalone newbuild school. The programme is also aiming to install electric car charging points at each new building and is currently exploring the possibility of opening the charging points for community use.

Powys County Council's 21st Century Schools Programme is leading the way in delivering Passivhaus schools with Welshpool Church in Wales Primary School, Ysgol Gymraeg y Trallwng and Ysgol Bro Hyddgen projects all aiming to achieve Passivhaus status. Ysgol Bro Hyddgen will be the first Passivhaus all-through school within the UK.

ii. Retrofit Renewables to buildings:

Renewables installed on existing buildings does occur where an economic business case is found. The latest example of a renewable retrofit is an 11kW Solar PV system installed at Ffrwdgrech Highways Depot in February 2019. The number of buildings that have had retrofit renewables installed is currently limited across the property portfolio.

3. Powys Public Service Board - Carbon Positive Strategy

Step 7 of Towards 2040 – the Powys Wellbeing Plan is to 'develop a carbon positive strategy that maximises green energy production'. A steering group of representatives from all PSB members including the Council has been set up by Welsh Government, who are the Lead organisation for Step 7, to oversee its development. The strategy is due to be completed by April 2020.

Areas of action within the scope of the strategy will include energy efficiency, renewable and low carbon energy deployment, behaviour change, emissions reductions, low carbon transport, and research and development of related infrastructure, for example smart grids. A sectorial approach will be taken across: power, transport, buildings, agriculture, land use and forestry, industry, public sector and waste.

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16.6

CYNGOR SIR POWYS COUNTY COUNCIL

County Council
11th July 2019

REPORT AUTHOR: County Councillor James Evans, Portfolio Holder for Corporate Governance, Housing and Public Protection

SUBJECT: Question from County Councillor Elwyn Vaughan

Can the portfolio holder for housing please confirm when were all the housing under his responsibility PAT tested and how often, as legally required as a landlord?

Response

PAT (Portable Appliance Testing) testing does not apply to any fixed installations, such as the wiring in a property or any hard wired equipment. It only applies to things such as washing machines, kettles, fridges etc. We do not supply these to our tenants. PAT testing is not compulsory. The law simply requires an employer to ensure that their electrical equipment is maintained to prevent danger. Any portable equipment, for example a kettle at a community room, is however PAT tested.

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16.7

CYNGOR SIR POWYS COUNTY COUNCIL

County Council
11th July 2019

REPORT AUTHOR: County Councillor James Evans, Portfolio Holder for Corporate Governance, Housing and Public Protection

SUBJECT: Question from County Councillor Joy Jones

With the launch of the new housing development in Newtown a few weeks ago and all the promises of lovely new flats on the site next to the bowling club, that has be left abandoned for a long time it has been extremely disappointing to hear that within weeks the contractors have gone into administration leaving an eyesore in the centre of the town.

Given that Dawnus went into administration earlier this year, will the Portfolio Holder explain what checks were carried out before appointing Jistcourt to do the work and why a bank bond guarantee was not in place before they began work onsite and what will be done to ensure more thorough checks in the future and that bank bound guarantees are in place before work begins?

Will the Portfolio Holder advise Council how much money has been lost due to this and how long the scheme will be delayed by?

Response

The procurement process for the Bowling Green site in Newtown involved an assessment of the contractors experience, and suitability. This assessment included a requirement to demonstrate Constructionline Level 2 Silver registration, which incorporates a contractors financial ability and established track record for successfully delivering contracts to the anticipated value of the contract being awarded. Constructionline are a national pre-qualification register who assess contractors to the PAS91 standard, which was developed by the British Standards Institute (BSI) and has been commissioned by Government. This is a recommended common minimum standard for construction procurement.

In addition to this, and prior to award of the contract, an assessment of Jistcourt's finances was undertaken by the Council as final due diligence.

Under the contract and Employer's Requirements a performance bond of 10% of the total contract value was required before any payments would be made to the principal contractor. Once it became apparent that Jistcourt could not provide the necessary bond, work was stopped. As a result of this no invoices were received from Jistcourt, and no payments were made. It has been confirmed by Welsh

Government that the Innovative Housing Grant awarded to this scheme is secure and not at risk.

The Council continually reviews its processes for financial and tender analysis, particularly since the collapse of Dawnus and Jistcourt. Updated financial analysis based on a Pass/Fail basis has now been used on the Salop Road PQQ, and on the affordable housing development at Heol Y Ffynnon Brecon. Due to the current situation that is affecting the entire UK construction industry, the Council will continue to monitor the situation and how it assesses the suitability of companies to bid for Council contracts.

Following a review of all available procurement options, the Council's preferred route to market is a full retender of the scheme, to include Pre-Qualification Questionnaire (PQQ) and Invitation to Tender (ITT). Due to following this route to market the expected delay to the project is approximately six months to appoint a principal contractor and a further three months mobilisation for the contractor to commence on site.

16.9

CYNGOR SIR POWYS COUNTY COUNCIL

County Council
11th July 2019

REPORT AUTHOR: County Councillor James Evans, Portfolio Holder for Corporate Governance, Housing and Public Protection

SUBJECT: Question from County Councillor Roger Williams

How many social housing units have the County Council completed since the May 2017 Council elections?

Response

Since the 2017 May Elections the council has purchased 25 ex-right to buy/other properties that have been added to our housing stock. As stated within Vision 2025 there is a target of developing 250 new affordable homes by the end of 2023. The Housing Service are also developing a longer term programme and are currently in the process of securing land which will enable development beyond 2023.

The Housing Service has been assessing land potential around the county and engaging with communities to identify need, this work is ongoing. They are also developing policies and procedures, which will enable the provision of alternative Low Cost Homeownership products, such as shared equity.

The Council is working with its strategic partners, in particular Housing Associations, via the Strategic Housing Partnership to identify and develop complementary schemes across Powys. The Housing Strategy is due to be reviewed over the next 12 months and will be subject to consultation, providing an opportunity to comment on the longer term plans of the service.

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16.10

CYNGOR SIR POWYS COUNTY COUNCIL

County Council
11th July 2019

REPORT AUTHOR: County Councillor James Evans, Portfolio Holder for Corporate Governance, Housing and Public Protection

SUBJECT: Question from County Councillor Matthew Dorrance

Will the Cabinet Member make a statement on service charges paid to Powys County Council by Council tenants?

Response

The Housing Revenue Account (HRA) is made up of income from rents and other housing related funds, including service charges. This income is used to fund all HRA landlord related services. It also underpins our ability to deliver a balanced and sustainable HRA Business Plan to allow the Council to be an effective, developing landlord.

An important part of the Business Plan is the ability to recover from tenants and leaseholders service charges to cover the cost of services provided to them by the Council. These charges must reflect the actual cost of providing the service and should not be higher or lower than that actual cost. Service charges are amended each year, at the same time as rents are also reviewed and amended. This last happened in April 2019. The service charges for 2019-2020 are shown below. It should be noted that service charges vary from year to year, dependent on the costs to the service of providing those services in the previous full year.

	Highest Weekly Charge for 2019/20	Lowest Weekly Charge for 2019/20	How Charge Is Calculated
Grounds maintenance	£1.58	£0.04	Calculated on a site by site basis, based on actual meterage and the cost of the contract.
Communal cleaning	1.38	£1.38	Based on the global cost of the contract divided by all recipients of the service.
Communal lighting	£0.56	£0.56	Based on the cost of the service globally divided by all recipients.

Fire safety work	£1.74	£0.12	Based on actual costs per block and divided by all residents of the block.
TV aerials	£0.16	£0.16	Based on the costs associated with each aerial and divided by all potential recipients.
Repairs to entrance doors	£1.04	£0.01	Based on actual costs per block and divided by all residents of the block.
Communal washing lines	£0.44	£0.26	Based on actual costs per block and divided by all residents of the block.
Sewerage treatment	£6.33	£6.33	Based on the cost of the service globally divided by all recipients
Lift maintenance	£1.50	£0.75	Costs split equally between all tenants (for repairs/servicing)
Repairs to communal areas in flats	£2.45	£0.01	Costs per block divided between all residents of the block
Admin	£0.43	£0.43	Based on cost of the service globally divided by all recipients
Window Cleaning	£1.25	£1.25	Based on the estimated cost of providing the service, divided equally between all residents

For the majority of service charges, the calculation of the charge is based on the previous whole year – therefore for example the charge for door entry repairs for 2019-20 is based on the cost of providing the service in 2018-19.

Service charges for 2018-2019 as per Business Plan £200,156 (total)

Service charges 2019-2020 as per Business Plan £205,257 (total)

CYNGOR SIR POWYS COUNTY COUNCIL

County Council
11th July 2019

REPORT AUTHOR: County Councillor James Evans, Portfolio Holder for Corporate Governance, Housing and Public Protection

SUBJECT: Question from County Councillor Elwyn Vaughan

Under the ECO2 scheme Powys approved around 3800 applications that were submitted to them by the ECO Flex agents. Of these they have confirmed that they know of 2048 installations that were actually undertaken. When the onus was on the ECO Flex agents to notify the council of completed installations, how likely is it that many of the alleged 'missing' 1800 approvals have in fact also been completed, just not declared as such to the council by the ECO Flex agents they employed to run the scheme?

Response

The 1,800 figure represents the number of measures approved by the authority but not completed, it includes cases where installations were not financially viable, and where the client cancelled and withdrew from the scheme. The figure also includes duplicate applications where clients/surveyors applied to multiple ECO agents, in an attempt to access diminishing funds. We believe there are approximately 1,200 outstanding applications, 400 of which were clients of one company in receipt of severe funding cuts towards the end of the scheme.

We acknowledge a slim possibility that some of these jobs may have been completed by agents who subsequently failed to inform the council. However, the council has pursued agents for payment on all completed schemes and has not received any complaints or enquires from recipients of installations where the council were unaware that measures had been installed.

It should be noted, ECO agents were never employed by the council, the scheme is a Government initiative administered by OFGEM and BEIS.

Looking forward to ECO3, any scheme proposal placed before Cabinet for adoption will include a mechanism to levy an upfront charge for declarations, independent of a successful installation.

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CYNGOR SIR POWYS COUNTY COUNCIL

County Council
11th July 2019

REPORT AUTHOR: County Councillor James Evans, Portfolio Holder for Corporate Governance, Housing and Public Protection

SUBJECT: Question from County Councillor Amanda Jenner

In light of the findings of the independent investigation report into ECO2, please can you comment on the following:

Please can you advise if there a lead officer who is keeping in touch with the Powys plumbing group and members to update them directly on matters and when did they last receive a formal communication with an update? If there is not a lead officer can this be addressed.

I understand that it was agreed at the scrutiny co-ordinating committee that a joint working group (selected from the economic and audit committees) be formed to review the report and carry out any further scrutiny required. I think it needs to be clear what their role is, for example lessons learned from ECO2, mitigation steps for the future scheme, future vetting of applicant statements and consideration of the scope and definition of fuel poverty. I would welcome seeing the scope/ terms of reference for the working group.

Will the working group committee's recommendations be made available to both the Powys plumbing group and all councillors in advance of a decision on ECO2 being made and who will make the final decision on whether or not ECO3 will be going ahead and the changes to its implementation /operation following the concerns raised with ECO2?

Response

The Powys Plumbing Group were in regular communication with the Lead Officer for the scheme who organised face to face meetings with the group and provided regular updates by email and telephone. There has not been recent communication, however, once a proposal is put forward from the Officer Working Group, this will be discussed with the group before a decision is made by Cabinet.

Adoption of an ECO3 scheme in Powys will be subject to a Cabinet decision following analysis by Scrutiny Committee. No decision has been made to date but various options are being pursued and any future scheme, if adopted, would be fully compliant with latest BEIS local authority guidance. An Officer Working Group met on 10th May and 5th July to work through the recommendations of the SWAP Audit report and look at the requirements set out in the new Guidance. Details of how the

applications would be processed as part of any future ECO3 scheme would be clearly outlined within the Business Case for Scrutiny and then Cabinet.

There are no formal terms of reference for the Officer Working Group, however, their remit is to learn lessons from ECO2, take into consideration the recommendations outlined in the SWAP report, and put forward robust proposals for any potential ECO3 scheme. There is no set timetable, however, I would anticipate proposals coming forward early autumn.

CYNGOR SIR POWYS COUNTY COUNCIL

County Council
11th July 2019

REPORT AUTHOR: County Councillor Aled Davies, Portfolio Holder for Finance, Countryside and Transport

SUBJECT: Question from County Councillor Pete Roberts

At the recent Brexit contingencies meeting I suggested that the council should look to support the "light lamb" market in the event of a no deal Brexit by putting in place plans to increase its usage within our schools and care services. The leader agreed and said that this would be taken forward through procurement.

Can you please update me on the progress that has been made since this meeting and what plans and barriers to action are now in place or being dealt with?

Response

Officers have met the Council's food distributor to discuss this. The distributor does stock Welsh lamb, however not many local authorities buy this for the school meal provision due to the cost. The Council's Professional Lead Catering and Cleaning has asked for a list of products with prices to see what the cost would be and whether it would be affordable to put onto our menus.

As with all goods and services we are working hard to increase the amount that we can source or spend, locally making the maximum use of the Powys £ wherever practicable.

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