

T: 01495 355001

E: committee.services@blaenau-gwent.gov.uk



Our Ref./Ein Cyf.

Your Ref./Eich Cyf.

Contact:/Cysylltwch â: committee.services@blaenau-gwent.gov.uk

THIS IS A MEETING WHICH THE PUBLIC ARE ENTITLED TO ATTEND

1st March 2024

Dear Sir/Madam

SPECIAL MEETING OF THE COUNCIL

A meeting of the Special Meeting of the Council will be held in virtually via Microsoft Teams - if you would like to attend this meeting virtually via Microsoft Teams please contact committee.services@blaenau-gwent.gov.uk on Wednesday, 6th March, 2024 at 10.00 am.

Yours faithfully

Damien McCann
Interim Chief Executive

AGENDA

Pages

1. SIMULTANEOUS TRANSLATION

You are welcome to use Welsh at the meeting, a minimum notice period of 3 working days is required should you wish to do so. A simultaneous translation will be provided if requested.

Mae'r Cyngor yn croesawu gohebiaeth yn Gymraeg a Saesneg a byddwn yn cyfathrebu gyda chi yn eich dewis iaith, dim ond i chi rhoi gwybod i ni pa un sydd well gennych. Ni fydd gohebu yn Gymraeg yn creu unrhyw oedi.

The Council welcomes correspondence in Welsh and English and we will communicate with you in the language of your choice, as long as you let us know which you prefer. Corresponding in Welsh will not lead to any delay.

2. **APOLOGIES**

To receive.

3. **DECLARATIONS OF INTEREST AND DISPENSATIONS**

To consider any declarations of interest and dispensations made.

4. **REVENUE BUDGET 2024/2025** 5 - 16

To consider the report of the Chief Officer Resources.

5. **THE RENTING HOMES (FEES ETC.) (WALES) ACT 2019; AUTHORISATION OF RENT SMART WALES TO UNDERTAKE ENFORCEMENT ACTION IN BLAENAU GWENT** 17 - 22

To consider the report of the Service Manager Public Protection.

6. **EXEMPT ITEM**

To receive and consider the following report which in the opinion of the proper officer is an exempt item taking into account consideration of the public interest test and that the press and public should be excluded from the meeting (the reason for the decision for the exemption is available on a schedule maintained by the proper officer).

7. **COMMERCIAL BUSINESS CASE** 23 - 42

To consider the report of the Corporate Director of Regeneration and Community Services.

To: Councillor C. Smith (Presiding Member)
Councillor P. Baldwin
Councillor S. Behr
Councillor D. Bevan
Councillor K. Chaplin
Councillor M. Cross
Councillor H. Cunningham
Councillor D. Davies
Councillor G. A. Davies

Councillor M. Day
Councillor S. Edmunds
Councillor J. Gardner
Councillor J. Hill
Councillor W. Hodgins
Councillor L. Winnett
Councillor J. Holt
Councillor G. Humphreys
Councillor R. Leadbeater
Councillor E. Jones
Councillor J. Millard
Councillor J. Morgan, J.P.
Councillor J. C. Morgan
Councillor J. P. Morgan
Councillor L. Parsons
Councillor D. Rowberry
Councillor T. Smith
Councillor G. Thomas
Councillor J. Thomas
Councillor S. Thomas
Councillor H. Trollope
Councillor J. Wilkins
Councillor D. Wilkshire
Councillor D. Woods

All other Members (for information)
Interim Chief Executive
Chief Officers

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Agenda Item 4

Cabinet and Council only

Date signed off by the Monitoring Officer: 29.02.2024

Date signed off by the Section 151 Officer: 29.02.2024

Committee: **Special Council**

Date of Meeting: **6th March, 2024**

Report Subject: **Revenue Budget 2024/2025**

Portfolio Holder: **Councillor Stephen Thomas, Leader of the Council/
Executive Member Corporate Overview & Performance**

Report Submitted by: **R Hayden – Chief Officer Resources**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
	29/2/24						6/03/24	

1. Purpose of the Report

1.1 This report seeks to agree the budget requirement for 2024/2025, set the overall Council Tax level for 2024/2025 which includes the precepts approved by other statutory authorities that impact upon the local level of council tax, and sets out the relevant statutory resolutions.

2. Scope and Background

2.1 This report presents the Revenue Budget requirement and overall Council Tax proposals for Blaenau Gwent County Borough Council for the next financial year 2024/2025, including the precepts approved by other statutory authorities that impact upon the local level of Council Tax and sets out the relevant statutory resolutions.

In setting the budget for 2024/2025, the Council agreed the following proposals at the meeting on 27 February 2024:

- A council tax increase of 4.95% (Blaenau Gwent element)
- Bridging the Gap efficiencies built into the revenue budget of £6.48m
- Cost pressures built into the revenue budget of £2.8m (including £0.86m cost pressures for schools)
- Cash flat budget for the remainder of the Individual Schools Budget
- Grants transferred into the final settlement to be passported to the appropriate service as follows - Child Burials (£21,000), Flood & Coastal Erosion (£225,000) and Performance & Improvement Framework (£40,000)
- Contribution from Specific Reserves of £1.5m

2.2 The Budget Requirement is based on the Welsh Government's final settlement received on 27 February 2024.

3. **Options for Recommendation**

3.1 **Option 1 (preferred option)**

3.1.1 Members approve the Council Tax Resolution (paragraph 5.1.7 to 5.1.11)

3.1.2 Members approve the statutory budget requirement of £184,942,156 (paragraph 5.1.7a and 5.1.13).

3.1.3 Members approve the use of the specific reserves identified totalling £1.5m (paragraph 5.1.16).

3.2 **Option 2**

3.2.1 Members do not approve the Council Tax Resolution and Statutory Budget Requirement.

4. **Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 This report supports the Council Corporate Plan high level priority “An ambitious and innovative council delivering quality services at the right time and in the right place”.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

5.1.1 **Council Tax Setting**

5.1.2 The Council agreed at its meeting on 27 February 2024, a Council Tax increase of 4.95% for the 2024/2025 financial year. As a result the Blaenau Gwent Council element of the full council tax charge will be:-

Valuation Bands (£)								
A	B	C	D	E	F	G	H	I
1,279.94	1,493.26	1,706.59	1,919.91	2,346.56	2,773.20	3,199.85	3,839.82	4,479.79

5.1.3 At its meeting in December 2023 the Council agreed the Council Tax base for tax setting purposes be 20,936.36 for 2024/25, this being the total number of chargeable dwellings in each area adjusted for a number of items e.g. discounts payable, multiplied by the assumed collection rate of 95.5%.

5.1.4 In addition, in accordance with Regulation 6 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, the amount of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate are:

4,619.14	Abertillery & Llanhilleth
1,712.68	Brynmawr
2,711.88	Nantyglo & Blaina
4,761.60	Tredegar

- 5.1.5 The above representing the number of chargeable dwellings to which the Town & Community Council's precept will apply.
- 5.1.6 It is recommended that Council resolves:
- 5.1.7 That the following amounts be now calculated by the Council for the year 2024/2025 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992 and sections 47 and 49 of the Local Government Act 1988 (as amended):

a	£184,734,156	Being the aggregate of the amounts the Council estimates for the items set out in section 32(2) (a) to (d) of the Act less the aggregate of the amounts the Council estimates for the items set out in section 32 (3) (a) and (c) of the Act calculates by the Council, in accordance with section 32(4) of the Act, as its budget requirement for the year
b	£208,000	Being the amount the Authority estimates in relation to Sections 47 and 49 of the Local Government Finance Act 1988 as amended by Schedule 1 of the Local Government and Rating Act 1997, for discretionary non-domestic rate relief.
c	£144,044,000	Being the aggregate of the sums which the Council estimates will be payable for the year into its Council fund in respect of redistributed non-domestic rates, revenue support grant and additional grant.
d	£1,953.45	Being the amount at (a) above plus the amount at (b) above and less the amount at (c) above, all divided by the amount at 5.1.3 above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year.
e	£702,229	Being the aggregate amount of all special items referred to in Section 34(1) of the Act (Town and Community Precepts)
f	£1,919.91	Being the amount at (d) above less the result given by dividing the amount at (e) above by the amount at 5.1.3 above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.

- 5.1.8 The amounts given by adding to the amount at (f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 5.1.3 above, calculated by the

Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate are:

g	2,002.42	Abertillery & Llanhilleth
	1,946.18	Brynmawr
	1,958.63	Nantyglo & Blaina
	1,955.84	Tredegar

5.1.9 The amounts given by multiplying the amounts at (f) and (g) above by the number which, in the proportion set out in section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands are:

The County Borough Tax including Community Precepts									
Valuation Bands									
	A	B	C	D	E	F	G	H	I
Abertillery & Llanhilleth	1,334.95	1,557.43	1,779.93	2,002.42	2,447.41	2,892.38	3,337.37	4,004.84	4,672.31
Brynmawr	1,297.45	1,513.69	1,729.94	1,946.18	2,378.67	2,811.15	3,243.63	3,892.36	4,541.09
Nantyglo & Blaina	1,305.75	1,523.38	1,741.01	1,958.63	2,393.88	2,829.13	3,264.38	3,917.26	4,570.14
Tredegar	1,303.89	1,521.21	1,738.53	1,955.84	2,390.47	2,825.10	3,259.73	3,911.68	4,563.63
Ebbw Vale	1,279.94	1,493.26	1,706.59	1,919.91	2,346.56	2,773.20	3,199.85	3,839.82	4,479.79

5.1.10 That it be noted that for the year 2024/2025 the Gwent Office of Police and Crime Commissioner has stated the following amounts in precepts issued to the Council (totalling £7,317,677), in accordance with Section 40 of the Local Government Act 1992, for each of the categories of dwellings shown:

Gwent Office of Police and Crime Commissioner								
Valuation Bands (£)								
A	B	C	D	E	F	G	H	I
233.01	271.85	310.68	349.52	427.19	504.86	582.53	699.04	815.55

5.1.11 That, having calculated the aggregate in each case of the amounts at (g) and 5.1.9 above, the Council, in accordance with section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2024/2025 for each of the categories of dwellings shown below:

The Full Tax of the County Borough Tax including Police and Community Precepts									
Valuation Bands									
	A	B	C	D	E	F	G	H	I
Abertillery & Llanhilleth	1,567.96	1,829.28	2,090.61	2,351.94	2,874.60	3,397.24	3,919.90	4,703.88	5,487.86
Brynmawr	1,530.46	1,785.54	2,040.62	2,295.70	2,805.86	3,316.01	3,826.16	4,591.40	5,356.64
Nantyglo & Blaina	1,538.76	1,795.23	2,051.69	2,308.15	2,821.07	3,333.99	3,846.91	4,616.30	5,385.69
Tredegar	1,536.90	1,793.06	2,049.21	2,305.36	2,817.66	3,329.96	3,842.26	4,610.72	5,379.18
Ebbw Vale	1,512.95	1,765.11	2,017.27	2,269.43	2,773.75	3,278.06	3,782.38	4,538.86	5,295.34

5.1.12 **Budget Requirement**

5.1.13 The statutory budget requirement for 2024/2025 is £184,734,156, expenditure funded from Reserves and discretionary rate relief needs to be added to this figure to give the total net revenue budget for of £186,442,156. Attached at Appendix 1 is a summary of the net revenue budget per portfolio.

5.1.14 The budget is funded as follows:

Source	£'000
Revenue Support Grant	119,663,000
Non-Domestic Rate Distribution	24,381,000
Council Tax	40,898,156
Net Use of Reserves*	1,500,000
Total	186,442,156

5.1.15 **Reserves**

5.1.16 Specific reserves of £1.5m will be committed during 2024/2025 to fund the approved budget and based on the revenue forecast outturn for 2023/2024 as at December 2023 and assuming no other changes other than those agreed as part of the budget setting process, the forecast level of revenue reserves are:

	31/03/2023 Provisional £000	31/03/2024 Forecast £000	31/03/2025 Forecast £000
Council Fund	13,067	12,767	12,767
Usable Revenue Reserves	25,806	23,066	21,566
School Balances	4,790	1,190	0
Total	43,663	36,932	34,333

*It is difficult to forecast school balances for future years – therefore the table above assumes all reserves will be utilised by March 2025.

5.1.17 It is forecast that by 31 March 2025, the Council's useable reserves will reduce by 21% compared to 2023.

5.1.18 **Section 25, Local Government Act 2003**

5.1.19 This section of the above Act requires that in my role as Chief Officer Resources of this Authority I must report to you on the two following points:

1. The robustness of the estimates included in the budget
2. The adequacy of the Authority's reserves

5.1.20 In respect of 1 above, I am able to conclude that the estimates have been compiled with the most up to date information available and are suitably robust. Reasonable assumptions have been used in financial modelling and significant cost pressures have been considered during the budget setting process for 2024/2025 and included within the budget.

5.1.21 Whilst I am able to confirm the robustness of the estimates, the Council will continue to face significant challenges during 2024/2025 with increasing costs as a result of pay awards, continuing higher levels of inflation, increasing demand and complexity of demand for services whilst delivering significant budget cuts. Strong financial management will need to continue throughout the year to deliver a balanced budget at the end of March 2025 with no unplanned draw from reserves.

5.1.22 I expect the financial challenges to continue beyond 2024/2025, with current financial modelling highlighting the need to deliver around £8m (based on current assumptions) budget cuts for 2025/2026 and £27m over the next 4 years. It is imperative that the budget process for 2025/2026 and beyond starts now with development, consultation and implementation of business cases that deliver financial and / or operational benefits for the Council in the short, medium and longer term.

5.1.23 In respect of the adequacy of reserves, this is the second year that the Authority has utilised reserves to balance its revenue budget with a draw from reserves of £1.5m required. Clearly this is not a sustainable strategy in the long term and will impact on the Council's financial resilience in future years should this continue.

5.1.24 The use of reserves will be monitored and reviewed during the financial year in order to ensure that they are maintained as a sustainable level in the medium term.

5.2 ***Risk including Mitigating Actions***

5.2.1 Bridging the Gap proposals may not be delivered to the agreed level, resulting in unplanned draw from the General reserve. This risk will be mitigated by regular monitoring and reporting to the Corporate Overview & Performance Scrutiny Committee and Cabinet.

5.2.2 Council Tax may not be collected to the required level resulting in a budget pressure. This risk will be mitigated by regular monitoring of collection rates, encouraging payment through direct debit and pursuing outstanding debts.

5.3 **Legal**

5.3.1 The calculation of Council Tax must comply with Sections 32 to 36 of the Local Government Finance Act 1992 and sections 47 and 49 of the Local Government Act 1988 (as amended).

5.4 **Human Resources**

5.4.1 There will be service change /service reduction arising from the Strategic Business Reviews included within the Bridging the Gap programme which may impact upon staff.

6. **Supporting Evidence**

6.1 **Performance Information and Data**

The following Table compares the average increase in Council Tax at the Band D level.

Authority	2023/2024	2024/25	Increase	
	£	£	£	%
Blaenau Gwent CBC	1,829.36	1,919.91	90.55	4095
Gwent Police	324.52	349.52	25.00	7.70
Total	2,153.88	2,269.43	115.55	5.36
<i>Community Councils:</i>				
Abertillery & Llanhilleth	62.58	82.51	19.93	31.85
Brynmawr	25.40	26.27	0.87	3.43
Nantyglo & Blaina	33.78	38.72	4.94	14.62
Tredegar	33.60	35.93	2.33	6.93
Average	27.99	33.54	5.55	19.83
Total (Average)	2,181.87	2,302.97	121.10	5.55

6.1.1 Table 2 attached at Appendix 2 gives an analysis of the elements of the Council Tax for each band, including the police and community council precepts. It should be noted that the overall average increase in Council Tax is 5.55%.

6.1.2 Table 3 attached at Appendix 3 gives an analysis of the council tax “chargeable property” valuations by Community area. These are used to calculate the authority’s council tax base.

6.2 **Expected outcome for the public**

6.2.1 Agreeing the statutory calculations and regulations will set the Council Tax levels for the forthcoming year with an average increase of 5.55%.

6.3 **Involvement (consultation, engagement, participation)**

6.3.1 The Council has undertaken consultation on the proposals within the 2024/2025 budget.

6.4 **Thinking for the Long term (forward planning)**

6.4.1 The Council has a Medium Term Financial Strategy that covers the period 2024/2025 to 2027/2028 which is reviewed, updated and rolled forward one year, every year.

6.5 ***Preventative focus***

n/a

6.6 ***Collaboration / partnership working***

n/a

6.7 ***Integration (across service areas)***

n/a

6.8 ***Decarbonisation and Reducing Carbon Emissions***

n/a

6.9 ***Integrated Impact Assessment (IAA)*** *(All decisions, policy reviews or policy implementation will now require a completed Integrated Impact Assessment) To note a screening template no longer needs to be completed*

n/a

7. **Monitoring Arrangements**

7.1 *State how the work will be monitored e.g. through scrutiny or directorate performance management arrangements*

7.1.1 Corporate Leadership Team, Corporate & Performance Scrutiny and Cabinet will receive quarterly monitoring briefings and reports.

Background Documents /Electronic Links

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Summary of Portfolio Estimates

Portfolio	Revised Estimate 2023/2024	Original Estimate 2024/2025
	£	£
Corporate Services	18,652,150	26,340,530
Social Services	54,402,430	53,518,240
Education	73,572,810	74,284,030
Economy	1,979,410	1,485,400
Environment	33,984,130	33,389,020
Planning	1,543,190	1,145,280
Licensing	149,740	123,590
<i>Sub-Total</i>	<i>184,283,860</i>	<i>190,286,090</i>
<i>(Less)/Add: Capital Adjustment</i>	<i>(3,038,681)</i>	<i>(5,150,930)</i>
<i>Add: Pension Adjustment</i>	<i>396,766</i>	<i>396,770</i>
Total Portfolio Expenditure	181,641,945	185,531,930
Contribution to/(from) Reserves	(4,057,000)	(1,500,000)
Add: Community Council Precepts	582,331	702,229
Budget Requirement	178,167,276	184,734,159
Discretionary Rate Relief	208,000	208,000
Total Expenditure	178,375,276	184,942,159
<i>funded by:</i>		
Revenue Support Grant	117,692,000	119,663,000
N.N.D.R.	22,038,000	24,381,000
Community Council Income	582,331	702,229
Council Tax	38,062,945	40,195,930
Total Income	178,375,276	184,942,159
Council Tax Base	20,806.70	20,936.36
Council Tax Charge (Band D)	1,829.36	1,919.91

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Table 2

Analysis of the Elements of the Council Tax for each Band, 2024/2025

		Band:								
		A	B	C	D	E	F	G	H	I
Abertillery	County Borough Council	1,279.94	1,493.26	1,706.59	1,919.91	2,346.56	2,773.20	3,199.85	3,839.82	4,479.79
	Police	233.01	271.85	310.68	349.52	427.19	504.86	582.53	699.04	815.55
	Community Council	55.01	64.17	73.34	82.51	100.85	119.18	137.52	165.02	192.52
	Total	1,567.96	1,829.28 #	2,090.61	2,351.94	2,874.60	3,397.24	3,919.90	4,703.88	5,487.86
Brynmawr	County Borough Council	1,279.94	1,493.26	1,706.59	1,919.91	2,346.56	2,773.20	3,199.85	3,839.82	4,479.79
	Police	233.01	271.85	310.68	349.52	427.19	504.86	582.53	699.04	815.55
	Community Council	17.51	20.43	23.35	26.27	32.11	37.95	43.78	52.54	61.30
	Total	1,530.46	1,785.54	2,040.62	2,295.70	2,805.86	3,316.01	3,826.16	4,591.40	5,356.64
Nantyglo & Blaina	County Borough Council	1,279.94	1,493.26	1,706.59	1,919.91	2,346.56	2,773.20	3,199.85	3,839.82	4,479.79
	Police	233.01	271.85	310.68	349.52	427.19	504.86	582.53	699.04	815.55
	Community Council	25.81	30.12	34.42	38.72	47.32	55.93	64.53	77.44	90.35
	Total	1,538.76	1,795.23	2,051.69	2,308.15	2,821.07	3,333.99	3,846.91	4,616.30	5,385.69
Tredegar	County Borough Council	1,279.94	1,493.26	1,706.59	1,919.91	2,346.56	2,773.20	3,199.85	3,839.82	4,479.79
	Police	233.01	271.85	310.68	349.52	427.19	504.86	582.53	699.04	815.55
	Community Council	23.95	27.95	31.94	35.93	43.91	51.90	59.88	71.86	83.84
	Total	1,536.90	1,793.06	2,049.21	2,305.36	2,817.66	3,329.96	3,842.26	4,610.72	5,379.18
Ebbw Vale	County Borough Council	1,279.94	1,493.26	1,706.59	1,919.91	2,346.56	2,773.20	3,199.85	3,839.82	4,479.79
	Police	233.01	271.85	310.68	349.52	427.19	504.86	582.53	699.04	815.55
	Total	1,512.95	1,765.11	2,017.27	2,269.43	2,773.75	3,278.06	3,782.38	4,538.86	5,295.34

Table 3

Council Tax 'Chargeable Property' Valuations by Community Area

APPENDIX 3

		Valuation Band:																	
		A/A*		B		C		D		E		F		G		H		I	
Valuation:		Less than £44,000		£44,001 - £65,000		£65,001 - £91,000		£91,001 - £123,000		£123,001 - £162,000		£162,001 - £223,000		£223,001 - £324,000		£324,001 - £424,000		Over £424,001	
Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Total
Abertillery & Llanhilleth	5,447	71.9	1,593	21.0	243	3.2	178	2.4	76	1.0	27	0.4	5	0.1	1	0.0	1	0.0	7,571
Brynmawr	1,137	44.0	888	34.3	302	11.7	180	7.0	54	2.1	19	0.7	2	0.1	5	0.2	0	0.0	2,587
Ebbw Vale, Beaufort & Cwm	5,861	54.6	2,535	23.6	1,062	9.9	781	7.3	333	3.1	135	1.3	17	0.2	5	0.0	3	0.0	10,732
Nantyglo & Blaina	2,430	58.2	1,103	26.4	250	6.0	206	4.9	157	3.8	16	0.4	8	0.2	2	0.0	0	0.0	4,172
Tredegar	3,742	52.5	1,816	25.5	775	10.9	390	5.5	239	3.4	133	1.9	31	0.4	2	0.0	2	0.0	7,130
Total	18,617	57.8	7,935	24.6	2,632	8.2	1,735	5.4	859	2.7	330	1.0	63	0.2	15	0.0	6	0.0	32,192

Agenda Item 5

Cabinet and Council only

Date signed off by the Monitoring Officer: 29.01.2024

Date signed off by the Section 151 Officer: 19.02.2024

Committee: **Special Council**

Date of Meeting: **6th March, 2024**

Report Subject: **The Renting Homes (Fees etc.) (Wales) Act 2019; authorisation of Rent Smart Wales to undertake enforcement action In Blaenau Gwent**

Portfolio Holder: **Councillor Helen Cunningham – Deputy Leader/Cabinet Member for Place & Environment**

Report Submitted by: **David Thompson – Service Manager – Public Protection.**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
23/1/2024	25/1/2024				N/A	N/A	6/3/24	

1. **Purpose of the Report**

To seek approval for delegated authority to be issued to the single licensing authority in Wales (Rent Smart Wales) in respect of enforcing the provisions of the Renting Homes (fees etc) Wales Act 2019.
2. **Scope and Background**
 - 2.1 Welsh Government (WG) Policy is that costs associated with renting in the private sector should be reasonable, affordable and transparent. The Renting Homes (Fees etc) (Wales) Act 2019 (“the Act”) banned letting agents and landlords who manage their own properties from charging any fees before, during or after a tenancy unless specifically exempt in the Act. Such a banned payment is called a ‘prohibited payment’. Letting agents and self-managing landlords are also banned from requiring a tenant to take out a loan or enter into a contract for services.
 - 2.2 The Renting of Homes (Fees etc) (Wales) Act 2019 defined permitted payments that can be required by letting agents and self-managing landlords as:
 - rent
 - security deposits (if required)
 - holding deposits to reserve a property (if required). This is refundable and you should not pay more than one week's rent.
 - late payment of rent or breach of a tenancy agreement (known as default payments)
 - council tax (if this is part of tenancy agreement)
 - utilities, for example water, electricity (if this is part of tenancy agreement)

- TV licence (if this is part of tenancy agreement)
- communication services, for example internet, telephone (if part of tenancy agreement)

2.3 All other payments are banned and prohibited, including:

- signing a contract tenancy agreement
- renewing a tenancy agreement
- requesting a check list about the condition of the property and items within it before you move in (known as an inventory fee)
- accompanied viewings.
- fees when you move in (known as check in fees)
- fees when you move out (known as check out fees)
- administration fees
- inspection fees when moving out

2.4 In a recent letter (Oct 2023), Welsh Government indicated that the 2019 Act has been a success since its introduction, with landlords and agents not charging the fees that they did previously. As such, in the main, tenants are no longer hit by additional fees on top of rent and deposit when trying to rent a home. Despite this, WG states there is some evidence that prohibited fees are still being required by some landlords and agents, especially in city and higher education student areas. To date, this Authority has not received any complaints relating to non-compliance with this legislation nor have any been investigated by Rent Smart Wales.

2.5 Local authorities are responsible for enforcing this legislation however there is a power to share responsibility for enforcement with Rent Smart Wales (RSW), which is hosted by Cardiff Council. Sections 17(2) and (3) of the Renting Homes (Fees etc.) (Wales) Act 2019 enable Rent Smart Wales to take the necessary enforcement actions and, to date, authorisation would have been possible on request on a case-by-case basis, if needed. However Welsh Councils, in accordance with their own constitutional arrangements, can decide to authorise Rent Smart Wales to enforce the provisions of the Act on a general basis and Welsh Government, in their Oct 2023 letter, is requesting all LAs to put this arrangement in place.

2.6 There are benefits to authorising RSW, not least as they find out about potential breaches of the Act either by direct complaints from tenants, or as a result of a mandatory agent audit. If breaches are found, RSW can take enforcement action, up to and including prosecution, on our behalf. This means that the administrative burden is lifted from this authority. RSW have a duty to inform Local Authorities if they serve a fixed penalty notice or prosecute for these offences (and vice versa).

2.7 As such, it is proposed that RSW should be authorised more generally to take enforcement action in place of BGCBC in relation to the following functions:

- where RSW is undertaking an audit of a letting and managing agent and find evidence of non-compliance
- where RSW is taking enforcement action for Housing (Wales) Act 2014 offences (e.g. not registered with RSW) and tenant fee contraventions are found
- other exceptional circumstances to be agreed on a case by case basis with the relevant Local Authority

2.8 There are two formal enforcement options:

- Issue of a fixed penalty notice (FPN) of £1,000, the payment of which would avoid prosecution proceedings. The fixed penalty payment receipts will be used for this enforcement function and be retained by the Authority taking the enforcement action.
- Prosecution for offences under the Act which could result in a fine not subject to a minimum on the standards scale of fines (except for failure to provide information required by statutory notice, in which case a fine up to level 4 (£2,500) on the standard scale could be imposed).

2.9 Blaenau Gwent Constitution (Nov 2023). Under the Constitution (p.171/2) implementation and enforcement of this legislation is delegated to the Director of Regeneration & Community services who is empowered to authorise Officers accordingly to undertake the relevant enforcement action. However, the Director only has the authority to nominate or authorise another officer to exercise that power, duty or function, provided that officer reports to or is responsible to the delegator (Director) (p.147). In this case, RSW will not be reporting to, or responsible to, the Director and, as such, this is deemed to fall outside the scope of the Director's delegated power. As such, the Head of Legal & Corporate Compliance has advised that authorisation of RSW, as outlined in this report, is a matter for Council.

3. **Options for Recommendation**

3.1 **Option 1 – Recommended** - That Cardiff Council, as the Single Licensing Authority for Wales (Rent Smart Wales), is authorised to exercise the functions of an enforcement authority, in relation to Blaenau Gwent County Borough Council's area, for the purposes of the Renting Homes (Fees etc.) (Wales) Act 2019, including, without limitation taking enforcement activity and bringing criminal proceedings pursuant to section 19 of that Act.

3.2 **Option 2** – Rejection of Option 1, thus complaints that would have been investigated by Rent Smart Wales (in accordance with paragraph 2.7, above) will need to be referred to this Authority.

4. **Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 **Corporate Plan** – The proposals in this report will contribute to more secure tenancies for private tenants, support people to live active, independent lives within their community and help tackle poverty. This, they will contribute to the following key priorities in the Plan:

An ambitious and innovative council delivering quality services at the right time and in the right place - Blaenau Gwent Council works in partnership to provide high quality services to meet local need and improve the quality of life and well-being within the community.

Empowering and supporting communities to be safe, independent and resilient - An increase in the resilience of Communities, where everyone is welcome and safe and which minimises dependency and maximises independence.

4.2 Well-Being Plan/ Marmot Principles - Ensure a healthy standard of living for all; Create and develop healthy and sustainable places and communities; Strengthen the role and impact of ill-health prevention; 'Pursue environmental sustainability and health equity together.

4.3 The following primary statutory powers:
[Renting Homes \(Fees etc.\) \(Wales\) Act 2019 \(legislation.gov.uk\)](#)

4.4 WG Priority. Welsh Government's (WG) policy is that any costs associated with renting in the private sector should be reasonable, affordable and transparent. This legislation was brought in to achieve this aim by enabling Local Authorities/Rent Smart Wales to regulate such costs through informal and formal means.

5. Implications Against Each Option

5.1 *Impact on Budget (short and long term impact)*

5.1.1 The additional regulatory burden of this legislation has been the subject of the financial assessment by Welsh Government. It is considered that the fixed penalty (£1000 per offence) or court cost awards will cover the financial impact incurred. To date, no complaints have been received in Blaenau Gwent.

5.2 *Risk including Mitigating Actions*

All relevant risks have been considered and addressed.

5.3 *Legal*

5.3.1 Legal and probity issues have been considered. By virtue of the Regulation of Private Rented Housing (Designation of Licensing Authority)(Wales) Order 2015, Cardiff Council is designated as the Licensing Authority for the whole of Wales under the name Rent Smart Wales and ensures compliance with the Housing (Wales) Act 2014 in partnership with all 22 Welsh local authorities.

5.3.2 Sections 17(2) and (3) of the Renting Homes (Fees etc.) (Wales) Act 2019 enable Rent Smart Wales to take the above enforcement actions but it is necessary for this Authority to authorise Rent Smart Wales (Cardiff Council) to do so.

5.4 **Human Resources**

5.4.1 There are no HR implications for this report. No additional staff resources are anticipated at this stage. The legislation will be enforced on a reactive basis following complaint and prioritised accordingly or as part of an ongoing case investigation. Adoption of the recommended Option (1) will help to minimise the impact on Council resources.

5.5 **Health and Safety**

Staff health and safety is not relevant to this report.

6. **Supporting Evidence**

6.1 **Performance Information and Data**

To date, this Authority has not received any complaints relating to non-compliance with this legislation nor are any being investigated by Rent Smart Wales.

6.2 **Expected outcome for the public**

The proposals in this report will contribute to more secure tenancies for private tenants, support people to live active, independent lives within their community and help tackle poverty.

6.3 **Involvement (consultation, engagement, participation)**

Officers have engaged with Rent Smart Wales, other local authorities and internal colleagues in drafting this report. No other engagement was considered necessary.

6.4 **Thinking for the Long term (forward planning)**

See 6.2, above

6.5 **Preventative focus**

See 6.2, above

6.6 **Collaboration / partnership working**

Partnership Working with Rent Smart Wales, as outlined above.

6.7 **Integration (across service areas)**

This work will require continued good interdepartmental working. In particular, direct dialogue and co-operation between Public Protection, and Legal Services, as necessary.

6.8 **Decarbonisation and Reducing Carbon Emissions**

Not relevant to this report.

6.9 **Integrated Impact Assessment**

No negative impacts

7. **Monitoring Arrangements**

7.1 Established DLT, CLT & Scrutiny reports, as necessary.

Background Documents /Electronic Links

- [Renting Homes \(Fees etc.\) \(Wales\) Act 2019 \(legislation.gov.uk\)](#)
- [Letting fees: guidance for tenants | GOV.WALES](#)

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