

Pecyn Dogfen Gyhoeddus

Gareth Owens LL.B Barrister/Bargyfreithiwr

Chief Officer (Governance)

Prif Swyddog (Llywodraethu)



Swyddog Cyswllt:

Ceri Shotton 01352 702305

ceri.shotton@flintshire.gov.uk

At: Cyng Helen Brown (Cadeirydd)

Y Cynghorwyr: Pam Banks, Gillian Brockley, Tina Claydon, Geoff Collett, Rosetta Dolphin, David Evans, Ray Hughes, Dennis Hutchinson, Kevin Rush, Dale Selvester a Linda Thew

27 Mehefin 2023

Annwyl Gynghorydd,

RHYBUDD O GYFARFOD HYBRID
PWYLLGOR TROSOLWG A CHRAFFU CYMUNED A TAI
DYDD LLUN, 3YDD GORFFENNAF, 2023 10.00 AM

Yn gywir

Steven Goodrum

Rheolwr Gwasanaethau Democrataidd

Sylwch: Gellir mynychu'r cyfarfod hwn naill ai wyneb yn wyneb yn Siambr Cyngor yr Arglwydd Barry Jones, Cyngor Sir y Fflint, Yr Wyddgrug, Sir y Fflint neu ar-lein.

Bydd y cyfarfod yn cael ei ffrydio'n fyw ar wefan y Cyngor. Bydd y ffrydio byw yn dod i ben pan fydd unrhyw eitemau cyfrinachol yn cael eu hystyried. Bydd recordiad o'r cyfarfod ar gael yn fuan ar ôl y cyfarfod ar <https://flintshire.publici.tv/core/portal/home>

Os oes gennych unrhyw ymholiadau, cysylltwch ag aelod o'r Tîm Gwasanaethau Democrataidd ar 01352 702345.

R H A G L E N

1 YMDDIHEURIADAU

Pwrpas: I dderbyn unrhyw ymddiheuriadau.

2 DATGAN CYSYLLTIAD (GAN GYNNWYS DATGANIADAU CHWIPIO)

Pwrpas: I dderbyn unrhyw ddatganiad o gysylltiad a chynghori'r Aelodau yn unol a hynny.

3 YSTYRIED MATER A ATGYFEIRIWYD AT A PWYLLGOR YN UNOL A'R TREFNIADAU GALW I MEWN (Tudalennau 3 - 6)

Mae penderfyniad yng nghyfarfod y Cabinet ar 20 Mehefin 2023 yn ymwneud â 'Thaliadau Gwresogi Ardaloedd Cymunedol 2023/24' wedi cael ei alw i mewn. Atodir copi o'r weithdrefn ar gyfer delio ag eitem sydd wedi'i galw i mewn.

4 FFIOEDD GWRESOGI ARDALOEDD CYMUNEDOL 2023/24 (Tudalennau 7 - 16)

Adroddiad Prif Swyddog (Tai a Chymunedau) - Aelod Cabinet Tai ac Adfywio.

Atodir y dogfennau canlynol i gynorthwyo Aelodau:

- Copi o'r adroddiad - Taliadau Gwresogi Ardaloedd Cymunedol 2023/24
- Copi o'r Cofnod o Benderfyniad
- Copi o'r Hysbysiad Galw i Mewn

Sylwch, efallai y bydd egwyl o 10 munud os yw'r cyfarfod yn para'n hirach na dwy awr.

FLINTSHIRE COUNTY COUNCIL

OVERVIEW & SCRUTINY

CALL IN ARRANGEMENTS

1. Background

The arrangements for calling in a decision are to be found in paragraph 16 of the Overview & Scrutiny Procedure Rules contained within the Council's Constitution. The legal authority is within section 21 (3) of the Local Government Act 2000. This note summarises the provisions in the Constitution and identifies changes required due to the pandemic and our holding Remote Attendance Meetings.

2. Decision of the Cabinet

When a decision is made by the Cabinet, the Head of Democratic Services publishes a record of those decisions within two days of them being made. This record is emailed to all Members of the County Council.

The decision record is dated the day it was published and specifies that

- the decision will come into force, and may be implemented on the expiry of five working days after the publication of the decision.
- unless it is called in within 5 working days after the publication of the decision

3. Calling in a Decision

For a call in to be initiated, the Chief Officer (Governance) or Head of Democratic Services must receive a request from the Chair of the relevant Overview & Scrutiny committee or at least four Members of the Council.

The call in email should be sent via a Flintshire.gov.uk email address to the Head of Democratic Services, stating the reason for call in. The first signatory should include the words 'call in' as the subject and should copy in the other proposed signatories. Those signatories should then email the Head of Democratic Services, using their Flintshire email addresses, saying 'I endorse the call in of record of Decision No XX'

This will ensure that there is an audit trail of signatories, in writing, of the call in, electronically signed (and from their Flintshire email addresses) by all parties. The Head of Democratic Services will notify the decision taker of the call in, and then arrange a meeting of the Committee within seven working days of the decision to call in. (The last working day before Christmas day and the three non-public holiday days between Christmas and New Year will not be counted as working days for the purposes of this paragraph).

4. The Call in Meeting

By their nature, call in meetings can often be held at short notice (i.e. within seven working days of the call in decision) and the only item of business to be transacted would normally be to deal with the call in. However, from time to time it is expedient to consider a call in at a meeting which has already been convened.

It is suggested that the procedure outlined below be used at such a meeting.

5. Procedure for a Call in Meeting

- (i) The Chair will invite the Head of Democratic Services or Overview & Scrutiny Facilitator to briefly outline the call in procedure for Members of the Committee, explaining the time constraints within the Constitution. The Officer should also outline the ideal procedure, set out below, for an Overview & Scrutiny Committee to deal with a call in meeting.
- (ii) The Chairman will then invite the initiators of the call in to explain and clarify their reasons for calling in the decision. This can be by means of a spokesman, or by several Members contributing.
- (iii) The decision makers will then have the opportunity to respond to the issues raised by those initiating the call in and provide further information if they believe that it will assist the Committee's understanding of the decision.
- (iv) The Chair will then invite questions from Members, and the decision-makers and call in initiators will be invited to answer the questions.
- (v) At the end of Members' questions, the Chair will ask the initiators of the call in and the decision makers to sum up their respective cases.
- (vi) The Chair will then invite the Head of Democratic Services or Overview & Scrutiny Facilitator to explain the Committee's options for decision contained in the Constitution. The decision should include one of the four options given below, which are contained in the Constitution.

Option 1

If, having considered the decision, the Overview & Scrutiny Committee is satisfied with the explanation which it has received, it will indicate as such, in order for the decision to be implemented.

Option 2

If, having considered the decision, the Overview & Scrutiny Committee is 'no longer concerned', having received the explanations, but is not minded to indicate that it is 'satisfied with the explanation', then it is in order for the Committee to resolve that 'the explanation be accepted but not endorsed by the Overview & Scrutiny Committee'.

Option 3

If, having considered the decision, the Overview & Scrutiny Committee is still concerned about it, then it may refer it back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns. If referred to the decision maker then the decision maker shall then reconsider, at the earliest scheduled meeting, amending the decision or not, before adopting a final decision.

Option 4

If, having considered the decision, the Overview & Scrutiny Committee is still concerned about it, then it may refer the matter to full Council. If referred to full Council, the Council shall meet to consider the referral within 10 working days unless there is a scheduled meeting of the full Council at which the matter may be considered within the expiry of a further 5 working days.

Note:

If either Option 1 or Option 2 is decided upon, the Cabinet decision can be implemented after the Overview & Scrutiny meeting. If either Option 3 or 4 is decided upon, the Cabinet decision cannot be implemented after the Overview & Scrutiny meeting until it has received further consideration by either the Cabinet or Council.

- (viii) The Committee will then discuss the matter and following debate, reach a decision.

If it is apparent from the discussion that there is a clear preference for a particular option, it may be possible for the officer advising the chair to indicate whether they object or wish to abstain. However, it may be necessary to conduct a 'roll call' vote (similar to a recorded vote, but a quicker process with 12 members on a committee)

Mae'r dudalen hon yn wag yn bwrpasol



CABINET

Date of Meeting	Tuesday, 20 th June 2023
Report Subject	Communal Heating Charges 2023/24
Cabinet Member	Cabinet Member for Housing and Regeneration
Report Author	Chief Officer (Housing and Communities)
Type of Report	Operational

EXECUTIVE SUMMARY

The Housing and Communities portfolio currently operates eight communal heating schemes within Flintshire, with 417 properties on communal heating systems. The Council has recently renegotiated the fuel tariff to be charged for 2023/24 as the previous contract ended in March 2023. The rate chargeable for gas is increasing by approximately 420% for the next 12 months. To date, communal tenants have benefitted from the Council's Industrial and Commercial Contract rate and have been protected from the energy price increases which our other social tenants have been impacted by. However, this increase in the tariff will now also impact on those tenants who live in the properties on the communal heating systems. When notifying tenants of their communal heating charges for 2022/23 notice was given of the likely increase in charges in 2023/24 to reflect global energy costs.

New communal heating charges are based on the prior year's energy use which ensures an accurate assessment of costs and impacts on the heating reserve account. In order to recover the projected heating charges in full we will need to increase communal heating charges in line with our tariff increases.

The proposed recharges for 2023/24 are set out within this report.

RECOMMENDATIONS

1	That Cabinet approve the proposed changes to the current heating charges at council properties with communal heating schemes, as outlined in the report. All changes to take effect from 31 st July 2023.
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REPORT DETAILS

1.00	EXPLAINING THE COMMUNAL HEATING RECHARGES
1.01	<p>The Housing and Communities portfolio currently operates eight communal heating schemes within Flintshire, with 417 properties on communal heating systems. Tenants are recharged based on the Council's Industrial and Commercial Contract rate which has recently been renegotiated by the Council as the previous contract ended in March 2023. The tariff for gas has increased by approximately 420% for the next 12 months.</p>
1.02	<p>The cost of fuel used within these communal heating schemes is paid for initially by the Authority through a heating reserve account and then collected from tenants in addition to their weekly rent.</p>
1.03	<p>Each year the new communal heating charges are calculated based on the previous year's energy use which enables us to project the costs and impacts (negative or positive) on the heating reserve account.</p>
1.04	<p>Any proposed changes to charges are intended to ensure that each communal heating scheme recovers the full energy cost charged in respect of each scheme.</p>
1.05	<p>Currently, the Council charges tenants for the energy consumed within each block. This is a basic flat rate charge irrespective of individual usage. The method of applying tenants heating charges is to apply uplifts or decreases to tenants each year, based on previous year's usage plus energy rate costs.</p>
1.06	<p><u>2020/21</u></p> <p>In April 2020, the energy rates decreased by an average of 14% and in some properties, the energy usage fluctuated against the estimated usage used to calculate 2020/21 charges.</p> <p>The majority of tenants saw a reduction in their Communal Heating charges in 2020/21. However, at the properties which saw an increase in energy usage, this resulted in a small deficit on the heating reserve at the end of 2020/21. This was recovered through the 2021/22 charges.</p>
1.07	<p><u>2021/22</u></p> <p>In 2021/22 on average, the total energy usage reduced slightly across our Communal Heating schemes and there was a further reduction in costs of 14%. This resulted in a small surplus on the heating reserve in the majority of our properties.</p>
1.08	<p><u>2022/23</u></p> <p>In 2022/23, the total energy usage reduced slightly in the majority of our Communal Heating schemes and the rate per kWh remained the same as the previous year. This resulted in a small surplus on the heating reserve</p>

in all but one of our properties, which will be factored into the 2023/24 recharge calculations.

Tenants at these properties were eligible to apply for the Energy Bills Support Scheme (£400 for winter 2022/23) if they had not already received the support on another of their utility bills.

1.09

2023/24

If we continued to calculate the charge in the same way as previous years, tenants who are on the Communal Heating systems would be subject to increases of up to 515% for 2023/24, based on the newly agreed gas tariff of £0.095 per kWh.

This is higher than the overall tariff increase of 420% as the revised communal charges come into effect for tenants from 31st July 2023 and therefore the Council needs to recover the full year price change over 8 months in order to recover the heating costs in full. The charges would be as follows:

Communal Area		Weekly Charge 2022/23	Increase/ (Decrease) 2023/24	Revised Weekly Charge 2023/24
Bolingbroke Heights, Flint	1 Bed	£ 3.75	£ 18.45	£ 22.20
	2 Bed	£ 4.50	£ 22.14	£ 26.64
Richard Heights	1 Bed	£ 3.75	£ 18.45	£ 22.20
	2 Bed	£ 4.50	£ 22.14	£ 26.64
Castle Heights, Flint	1 Bed	£ 4.20	£ 19.70	£ 23.90
	2 Bed	£ 5.04	£ 23.64	£ 28.68
Llwyn Beuno, Holywell	1 Bed	£ 7.10	£ 34.40	£ 41.50
	2 Bed	£ 8.52	£ 41.28	£ 49.80
Llwyn Aled, Holywell	1 Bed	£ 7.80	£ 37.10	£ 44.90
	2 Bed	£ 9.36	£ 44.52	£ 53.88
Acacia Close, Mold	1 Bed	£ 7.10	£ 32.70	£ 39.80
	2 Bed	£ 8.52	£ 39.24	£ 47.76
	3 Bed	£ 9.59	£ 44.15	£ 53.73
Glan-y-Morfa Court1, Connahs Quay	1 Bed	£ 8.10	£ 16.60	£ 24.70
	2 Bed	£ 9.72	£ 19.92	£ 29.64
Glan-y-Morfa Court2, Connahs Quay	1 Bed	£ 5.65	£ 26.85	£ 32.50
Chapel Court, Connahs Quay	1 Bed	£ 6.20	£ 31.90	£ 38.10
	2 Bed	£ 7.68	£ 38.04	£ 45.72

Based on the increasing tariff and the requirement to recover any deficit, we have further considered how to calculate the 2023/24 communal heating charges, to minimise the increases to tenants. The proposal is set out below:

- Currently the recharge to tenants recovers the full cost of heating the buildings at the Heat Network sites. Flintshire County Council have made a provision of £0.090m in the 2023/24 budget to allow for tenants to be billed based on individual usage once the correct infrastructure has been installed. This will result in a “shortfall” on the heating reserve account, which is effectively the cost of the energy used to heat communal areas.

- For 2023/24, we have the option to reduce the amount charged to tenants on the communal heating scheme by an estimated percentage, based on the “heat loss” in communal areas, as follows:

Site Address	Heat Loss (%)
Acacia Close, Mold	30%
Bolingbroke & Richard Heights, Flint	20%
Castle Heights, Flint	25%
Chapel Court, Connahs Quay	30%
Glan Y Morfa Court, Connahs Quay	20%
Llwyn Aled, Holywell	30%
Llwyn Bueno, Holywell	30%

- In addition to this, it is proposed that we “annualise” the charge to tenants (i.e., calculate the weekly cost for the full year, excluding the shortfall that is building up between 1st April and 30th July 2023 due to the 2022/23 recharge rates being applied in this period). This would mean that there would be a deficit remaining on the heating reserve of approximately £0.080m at the end of 2023/24 (estimated based on the assumptions applied on usage etc), which would need to be recovered in future years as utilities prices recover and stabilise.

The table below sets out the heating charges for 2023/24 based on these proposals.

Communal Area		Weekly Charge 2022/23	Increase/ (Decrease) 2023/24	Revised Weekly Charge 2023/24
Bolingbroke Heights, Flint	1 Bed	£ 3.75	£ 8.90	£ 12.65
	2 Bed	£ 4.50	£ 10.68	£ 15.18
Richard Heights	1 Bed	£ 3.75	£ 8.90	£ 12.65
	2 Bed	£ 4.50	£ 10.68	£ 15.18
Castle Heights, Flint	1 Bed	£ 4.20	£ 8.70	£ 12.90
	2 Bed	£ 5.04	£ 10.44	£ 15.48
Llwyn Beuno, Holywell	1 Bed	£ 7.10	£ 13.70	£ 20.80
	2 Bed	£ 8.52	£ 16.44	£ 24.96
Llwyn Aled, Holywell	1 Bed	£ 7.80	£ 14.45	£ 22.25
	2 Bed	£ 9.36	£ 17.34	£ 26.70
Acacia Close, Mold	1 Bed	£ 7.10	£ 12.80	£ 19.90
	2 Bed	£ 8.52	£ 15.36	£ 23.88
	3 Bed	£ 9.59	£ 17.28	£ 26.87
Glan-y-Morfa Court1, Connahs Quay	1 Bed	£ 8.10	£ 10.90	£ 19.00
	2 Bed	£ 9.72	£ 13.08	£ 22.80
Glan-y-Morfa Court2, Connahs Quay	1 Bed	£ 5.65	£ 12.55	£ 18.20
Chapel Court, Connahs Quay	1 Bed	£ 6.20	£ 12.65	£ 18.85
	2 Bed	£ 7.68	£ 14.94	£ 22.62

Based on the proposal, the average increase to tenants is 197%. In monetary terms, the maximum weekly charge is £26.87 for a 3 bedroom

	<p>flat in Acacia Close (which would equate to £112 per calendar month; £1,343 per annum).</p> <p>This proposal would be at a cost of £0.112m to the HRA for 2023/24, against a budget of £0.090m.</p>
1.10	<p>The proposed costs are still subject to change as the commercial tariff for 2023/24 has only very recently been agreed and Flintshire County Council may be eligible to apply for the Energy Bills Discount Scheme – any discounts would also be passed on to tenants on the Heat Networks.</p> <p>The energy contracts are only on 12-month contracts currently due to the volatility of the markets.</p>
1.11	<p>Going forward, we are required to bill tenants for actual usage rather than a proportional charge due to triggering the requirements of The Heat Network (Metering and Billing) Regulations 2014. The infrastructure to enable this will be put into place during 2023/24 to allow this to happen from 2024/25 onwards.</p> <p>Based on this, it may prove difficult to recover any deficit remaining on the heating reserve and this will need to be considered when looking at the 2024/25 recharges.</p>

2.00	RESOURCE IMPLICATIONS
2.01	As identified above.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Tenants cannot claim Housing Benefit for the cost of domestic heating.
3.02	Estimates have been based on energy usage during 2022/23. A severe winter could lead to higher costs which may lead to an increased charge during 2024/25.
3.03	Tenants have previously benefitted from preferential rates due to the Council having secured a low fixed rate for fuel up to March 2023. Due to the recent energy price increases, it is likely that tenants will be liable for much higher energy costs which could impact individuals' ability to pay.
3.04	<p>Tenants on the heat networks were eligible to apply for the Energy Bills Support Scheme (£400 for winter 2022/23), if they had not already received the support on another of their utility bills.</p> <p>If further support for individuals is identified in 2023/24, where required, tenants will be supported in applying for this financial assistance.</p>

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	No formal consultation required.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None.

7.00	CONTACT OFFICER DETAILS
7.01	<p>Contact Officer: Rachael Corbelli, Strategic Finance Manager Telephone: 01352 703363 E-mail: rachael.corbelli@flintshire.gov.uk</p>

8.00	GLOSSARY OF TERMS
8.01	<p>Housing Revenue Account: records all revenue expenditure and income relating to the provision of council dwellings and related services.</p> <p>Tenant: a person who occupies land or property rented from a landlord (in this instance Flintshire County Council).</p> <p>Heating Reserve Account: the account which records all expenditure on communal heating and all income from tenants.</p>

FLINTSHIRE COUNTY COUNCIL

CABINET RECORD OF DECISION

DATE OF MEETING: **20 JUNE 2023** **AGENDA ITEM NO. 7**

REPORT OF: **Chief Officer (Housing and Communities)**

SUBJECT: **COMMUNAL HEATING CHARGES 2023/24**

RECOMMENDATIONS OF REPORT: That Cabinet approve the proposed changes to the current heating charges at Council properties with communal heating schemes, as outlined in the report. All changes to take effect from 31st July 2023.

DECISION: As detailed in the recommendation.

REASON FOR DECISION: As in the report.

**CONSULTATIONS
REQUIRED/CARRIED OUT:** No formal consultation required.

RESOURCE IMPLICATIONS: As identified in the report.

DECLARATIONS OF INTEREST: None.

DISPENSATIONS None.

DATE PUBLISHED: 21.06.23

SIGNED

Democratic Services Manager

A handwritten signature in black ink, appearing to be 'J. Hall', is written over a horizontal line.

Mae'r dudalen hon yn wag yn bwrpasol

**Endorsement of Call in of Record of Decision No 4106 –
Communal Heating Charges 2023/24**

Reasons for call-in:

We call on Cabinet to re consider the decision to press head with excessive increases across Flintshire, to consider spreading the cost over 3 years with a cap put in place, and also no detail on how and when the new meters will be installed in all communal areas, and how none residents will be charged that use the facility regular.

No	Name of Councillor	Date of endorsement email	Time of endorsement email
1	Bernie Attridge	21.06.2023	23.34
2	Allan Marshall	22.06.2023	06.47
3	Bill Crease	22.06.2023	09.51
4	Dale Selvester	22.06.2023	14.42
5	Linda Thew	22.06.2023	22.22

Mae'r dudalen hon yn wag yn bwrpasol