

CABINET

**Venue: Town Hall,
Moorgate Street,
Rotherham. S60 2TH**

Date: Wednesday, 22 June 2011

Time: 10.30 a.m.

A G E N D A

1. Questions from Members of the Public
2. To determine if the following matters are to be considered under the categories suggested in accordance with the Local Government Act 1972.
3. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
4. Minutes of the previous meeting held on 8th June, 2011 (copy supplied separately)
5. Rotherham Youth Service (Pages 1 - 6)
 - Strategic Director of Children and Young People's Services to report.
6. Annual Governance Statement 2010/11 (Pages 7 - 23)
 - Strategic Director of Finance to report.
7. Improving the administration of Choice Based Lettings and the Housing Register (Pages 24 - 40)
 - Strategic Director of Neighbourhoods and Adult Services to report.
8. 2010/11 Financial and Performance Outturn Report on Major External Funding Programmes and Projects (Pages 41 - 57)
 - Strategic Director of Finance to report.
9. Exclusion of the Press and Public
The following items are likely to be considered in the absence of the press and public as being exempt under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended March 2006) (information relates to finance and business affairs):-
10. BDR Waste PFI - Terms of the Post Procurement Inter Authority Agreement (IAA 2) (Pages 58 - 65)
 - Strategic Director of Environment and Development Services to report.

11. Rationalisation of Property Assets - Land adjacent to 2 Warris Close, Kimberworth Park (Pages 66 - 70)
 - Strategic Director of Environment and Development Services to report.

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet
2.	Date:	22 nd June, 2011
3.	Title:	Rotherham Youth Service.
4.	Directorate:	C&YPS - Community Services

5. Summary:

A report with a proposal for a review and restructure of Rotherham Youth Service was considered by Cabinet on the 23rd February, 2011, when approval was given to implement recommendations within the report. This report summarises activity and actions in the ensuing period and lays out the final outcome of the review and restructure.

6. Recommendations:

- **Cabinet endorse the process and outcomes of the review of Youth Services**
- **Cabinet endorse the new Rotherham Youth Service structure**

7. Proposals and Details:

7.1 Background

Due to the cuts to RMBC revenue from Central Government funding, in excess of £30m in 2011/12, the Council has had to look at all its services, including Youth Services. The way in which services for young people has developed over recent years has been with a focus of fully integrating all youth related provision to provide a comprehensive and all encompassing offer to our young people. As well as RMBC Youth Services, these include:

- Connexions Service – focus on employment and training
- Youth health related services – focus on sexual health, teenage pregnancy, substance misuse, emotional and mental wellbeing
- Youth Offending Services – focus on crime and disorder prevention

The report to Cabinet of the 23rd of February considered the most appropriate way to manage a budget reduction to the Youth Service and the best way to reconfigure the model of delivery to ensure the borough wide equity of access and opportunity for young people. The proposal primarily focussed upon three key areas:

- A rationalisation of our Youth Centres determined by their location and level of use
- A reconfiguration of staff to ensure full coverage across the Borough, particularly at key times such as weekends and school holidays
- An extension of mobile provision within the borough

The report further proposed that any changes to the Youth Service were better completed in one go, rather than returning in each of the next two financial years to change or reduce provision further. The review and restructure – including full consultation about the proposals – would need to be completed within a short timescale. To a large degree this was helped by the Scrutiny review into Youth Service provision which had been completed in 2009. The aim was to complete all work and have the new delivery model and restructured service operating from the 1st July, 2011.

7.2 Consultation

It was fully anticipated that these proposals would result in a lot of interest amongst the communities of Rotherham, and consequently it has been important from the very outset to give clear and consistent messages.

An extensive consultation has taken place which has included many constructive discussions with local groups and in particular a very positive contribution from young people. In one area, for example, a petition was received with more than 1500 names from the community expressing concern at the possibility of the local centre closing. We were able to work with the local Parish Council and through challenging but productive negotiations, ensure that the centre remained open for the young people of the community. Elsewhere, young people organised meetings with Members and Officers and local community groups, in one case bringing together representatives from three different youth centres / communities to resolve the challenges of ensuring good coverage for our more remote and rural communities.

What has been very evident is the high regard that our youth centres and workers are held in all parts of our communities, and the willingness of many partners to recognise the very difficult financial position of the Council and work in genuine partnership to find solutions for the benefit of our young people. In total more than 70 meetings have taken place with key stakeholders, including young people, staff and community groups over a six week period.

(A summary report of the consultation undertaken is on the Council website).

Considerable media interest has been managed carefully and effectively, and reports have emphasised the way in which RMBC have had to respond to Government cuts, the degree of community concern, the willingness of Elected Members and Officers, on behalf of the Council, to resolve problems constructively and ultimately the positive outcome achieved by the review and restructure. Perhaps most pleasingly has been the media's recognition and acknowledgement given to the young people of Rotherham, who have demonstrated a level of understanding and passion that does them credit.

7.3 Outcome of Review and Restructure

- **Centre Provision** – the Cabinet report of the 23rd February listed those Centres which it was proposed should be considered for closure. Following the extensive consultation and resultant discussions with stakeholders, we are able to confirm that a number of these will stay open:

- **Chislett Youth Centre** – discussions finalised with Community Partnership who will take over the running of the Chislett Youth Centre at the end of June.
- **Bramley Youth Centre** – transfer of the building to the Bramley Parish Council has been completed and in partnership with RMBC, youth provision will continue to be provided from Bramley.
- **Brampton Cabins** - provision has remained available to Youth Services to use and the running costs and upkeep of the building has been taken on by the Cortonwood WMC.
- **Wingfield** – cost of provision has been picked up by the school.
- **Thrybergh Youth Centre** – main provision has closed, some targeted prevention services to continue during the day.

These are in addition to the following Centres which, as proposed previously, will remain open, with some to be the main, or 'hub' centre for the area:

- **Maltby Linx.**
- **Swinton Youth Centre.**
- **Winterhill Youth Centre.**
- **Kiveton Park Youth Centre.**

- **The Place, Clifton.**
- **Herringthorpe Youth Centre.**
- **Treeton Youth Centre.**
- **Wath Youth Centre.**
- **Rawmarsh Youth Centre.**
- **Maltings Youth Centre.**
- **Dalton Youth Centre.**
- **Thornhill Youth Centre**
- **Youth Start**
- **Youth Café / MyPlace**
- **Dinnington Youth Centre** – (which will close on the 17th June as a building, pending the conclusion of discussions with a local VCS group to establish a Youth Café in the town centre. In the interim youth provision continues to be provided in partnership with the Salvation Army. Discussions are already in hand with the College who have expressed a desire to purchase the building).

The following centres have closed or will close:

- **Kilnhurst Youth Centre** – has closed
- **Aston Youth Centre** – has closed
- **Catcliffe Youth Centre** – has closed
- **Harthill Youth Centre** – will close at the end of June
- **Rotherham International Centre** – will close mid-August, and the site has been declared surplus to requirements, releasing a significant capital asset. Provision has transferred to Thornhill Centre.

Consequently, the Youth Centre picture for Rotherham (including partner provision) is:

Hub Centres	Additional Centres
<ul style="list-style-type: none"> • Maltby Linx • Swinton Youth Centre. • Winterhill Youth Centre. • Kiveton Park Youth Centre • The Place, Clifton. • Herringthorpe Youth Centre. • Treeton Youth Centre. 	<ul style="list-style-type: none"> • Wath Youth Centre. • Rawmarsh Youth Centre. • Maltings Youth Centre. • Dalton Youth Centre. • Thornhill Youth Centre • Youth Start • Youth Café / MyPlace

	<ul style="list-style-type: none"> • Dinnington • Thrybergh Youth Centre • Wingfield (in partnership) • Bramley (in partnership) • Chislett (in partnership)
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• **Mobile Provision** – A key part of the strategy to ensure full Borough wide coverage for Youth Services, and augment to Centre provision above, is the addition of more mobile provision. Rotherham already has two youth service mobiles, and the proposal is to purchase 5 more. Some young people have been to visit Stoke, where the mobile provision is said to be ‘best practice’, and the benefits of this service option have been reinforced. There is a slight change in plan arising from the visit however, in that rather than a total of seven generic vehicles, we will now purchase three long based transit sized vehicles [similar to the two already in Rotherham] and two larger vehicles, which will be purpose built / specialist provision, one for health advice delivery and the other a music vehicle. It is intended to procure the vehicles through a contract between RMBC and Translinc.

Effective use of mobile provision, at the right times for young people, has been shown to be very effective in the delivery of outreach based and targeted work. The mobiles will operate to a widely publicised timetable regarding where they are based and at what times. They will operate from the hub centres.

• **Staffing** – the opportunity has been taken to realign the management of Youth Services, ensuring a more effective and efficient oversight and maximising the amount of face to face contact with young people. It will also now be the norm for Youth Services to operate at weekends and in school holidays. Following the consultation period [which included, for the staff, the new structures], posts were disestablished and a full application and interviewing process against the new structure was undertaken. The consequence of this has been a reduction in staffing of 31 individuals, a full time equivalent of 19 posts [including one Youth Service Manager post]. Most of these have been achieved through voluntary redundancy. We now have an equitable spread of workers, including experience, across the whole Borough, and will be providing Centre based work, outreach work and a full programme of mobile provision.

8. Finance:

The revenue budget for the Youth Service in 2010/11 was £2.4m. The revised structure as laid out in this report is provided in 2011/12 at a budget of £2m, and from 2012/13 at £1.85m. The reductions of £400k in this year have been achieved by the combination of the reduction in staffing and running costs of centres as above, the full year equivalent of which is £550k.

In addition to the savings, the Capital Investment agreed in principal previously is being considered by the Capital Strategy Asset Review Team, following which approval will be sought through Cabinet. The figure for the vehicles is yet to be

finalised exactly, but it will remain within the indicative figure given in the previous report of £375k for the purchase of 5 mobile vehicles.

9. Risks and Uncertainties:

This report is in respect of our universal youth provision. Youth Services themselves are a major part of *integrated youth support services* which means youth related provision working together as a central and essential element of effective prevention and early intervention. Other Services, including those in the VCS [a key partner in the development of youth volunteering opportunities], which are part of this integrated approach are themselves having to manage reductions in funding and a reliance on grants which are only guaranteed to 2013. But without this integrated working, we risk retreating again into silo's of provision to tackle some of our most stubborn challenges – youth crime, teenage pregnancy, 'NEET's', sexual exploitation, adolescent drinking and associated disorder. Past experience and current evidence tells us that this is much less effective, and in many cases pointless.

10. Policy and Performance Agenda Implications:

Youth Services fully contribute to and reflect

- the Corporate Plan, Vision and Aims for the Borough
- Rotherham Children and Young Peoples Plan
- The LSP Community Strategy Priorities

11 Background Papers and Consultation:

- CYPS Scrutiny Review – 'Future Challenges for the Youth Service' October 2009
- Cabinet Report – 23rd February 2011
- Proposals for the Future of the Youth Service – consultation summary: March 2011

Contact:

Simon Perry, Director of Community Services, CYPS – tel: 01709 823687

Chris Brodhurst-Brown, Youth Service Manager – tel: 01709 822485

ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET
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1.	Meeting:	Cabinet
2.	Date:	22 June 2011
3.	Title:	Annual Governance Statement 2010/11
4.	Directorate:	Financial Services

5 Summary:

The attached draft Annual Governance Statement for 2010/11 outlines the Council's view of the application of good governance standards in Rotherham MBC. The overall position is positive, with progress being made on the significant issues raised in last year's Statement. There are no additional items added following this year's review.

Proper practice requires the Leader of the Council and the Chief Executive to sign the statement prior to its publication with the Statement of Accounts, in September 2011. Cabinet should consider and agree the Statement before it is signed by the Leader and Chief Executive.

6 Recommendations

Cabinet is asked:

- **To agree the 2010/11 draft Annual Governance Statement**
- **To note that the draft Statement was presented to the Audit Committee on 1 June 2011 for review**
- **To note the requirement for the Leader and the Chief Executive to sign the statement after its agreement by Cabinet and prior to the publication of accounts in September 2011.**

7 Proposals and Details

7.1 General principles

The Accounts and Audit Regulations 2011 require local authorities to:

“conduct a review at least once in a year of the effectiveness of its system of internal control” (Reg 4(2)), and

“following the review, the body or committee must approve an annual governance statement, prepared in accordance with proper practices in relation to internal control” (Reg 4(3)).

The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.

In discharging these responsibilities, the Council must ensure that there is good governance and a sound system of internal control in place, which facilitate the effective exercise of the Council's functions and which include arrangements for the management of risk.

The Council's governance arrangements in place during 2010/11 have been reviewed and an Annual Governance Statement (AGS) has been drafted and is attached to this report at **Appendix A**.

7.2 Procedure

The AGS outlines the Council's view of the application of good governance and internal control in Rotherham MBC in 2010/11.

'Proper practice' requires the Leader and the Chief Executive to sign the statement to confirm their satisfaction with the governance framework and the procedures for reviewing it, and their acceptance of the significant issues highlighted in the statement, along with actions for tackling the issues raised. This should be done prior to the final approval of the Statement by the Audit Committee and the publication of the Statement in September 2011. Cabinet should consider and agree the Statement before it is signed by the Leader and Chief Executive.

Additionally, in common with last year, the Audit Committee will see the draft AGS in June 2011 to enable the Committee to carry out a review of the Statement and supporting evidence, including Cabinet Members' and Strategic Directors' statements of assurance.

7.3 Structure of the Annual Governance Statement

The attached AGS is laid out in accordance with proper practice as set out by CIPFA. There are 5 sections:

- Section 1: Scope of the Council's responsibility
- Section 2: Purpose of the Governance Framework
- Section 3: The Council's Governance Framework which identifies the governance arrangements in place at the Council
- Section 4: Review of effectiveness. This looks at the process that has been applied in maintaining and reviewing the effectiveness of the governance framework
- Section 5: Significant governance issues. These are the main issues that require improving.

Sections 1 and 2 are standard and replicate the CIPFA 'model' AGS. Sections 3 and 4 highlight the governance arrangements in place at Rotherham (Section 3) and how they have operated during the year (Section 4). Section 5 highlights the significant issues arising this year and provides an update on the significant items reported in 2009/10.

Cabinet's attention is drawn particularly to Section 5 of the AGS.

7.4 Significant governance issues

The overall position is positive, with the review confirming that the Council has appropriate internal control arrangements in place and that the arrangements were found to be operating satisfactorily during 2010/11.

Progress is being made on the significant issues raised in last year's Statement and there are no additional items added following this year's review. Below is an extract from the Section 5 of the Statement, covering these items:

5.2.1 Children and Young People's Service

During June 2010, the Children and Young People's Service was projecting a significant overspend on Out of Authority placements for Looked after Children. An internal review identified areas where improvements could be made in the processes for managing placements and controlling costs. During the remainder of the year the service implemented revised processes. These will need to be effectively applied to show that the anticipated improvements are being achieved.

5.2.2 Swinton Community School

A 2009/10 internal audit of the Swinton Community School raised concerns regarding the financial planning and monitoring at the School, which had accumulated an unexpected deficit of £712,000 by March 2010. The deficit has increased to over £800,000 in 2010/11. Joint management of the situation by the Council's Finance and Children and Young People's Directorates and the School has now been put in place to manage the deficit.

5.2.3 2010 Rotherham Ltd

2010 Rotherham Ltd has existed since 2005 to manage the Council's housing stock and deliver the £280m decent homes programme of improvements to council houses in Rotherham. During its life, 2010 Rotherham Ltd has accumulated a significant financial deficit. The Council has recently made a decision to dissolve the company and re-integrate services into the Council. The Council has established plans for managing any deficit that will transfer to the Council on the company's dissolution. The Council is also ensuring there will be appropriate arrangements in place for the effective financial management of the services returning to the Council.

7.5 Review and monitoring

The Corporate Governance Group and Audit Committee will monitor progress on actions to improve areas included in the 2010/11 statement and will review the effectiveness of governance arrangements during 2011/12.

8 Finance

There are no direct financial implications. Any financial implications arising from any future development of internal controls would feature in subsequent reports to Members.

9 Risks & Uncertainties

Failure to apply sound internal controls and good governance places the Council at greater risk of fraud and/or error. The Council could also suffer significant reputation damage caused by any actual incidences arising out of weaknesses in its arrangements.

Failure to produce an Annual Governance Statement would leave the Council subject to criticism by the external auditor and potential action by the Department for Communities and Local Government.

10 Policy & Performance Agenda Implications

Good Governance is wholly related to the achievement of the objectives in the Council's Corporate Plan.

11 Background and Consultation

This report has been informed by the views of the Strategic Director of Finance, the Assistant Chief Executives, the Director of Audit and Governance and the External Auditor.

Following consideration by SLT the draft Annual Governance Statement was considered by Audit Committee on 1 June 2011 and Cabinet on 22 June 2011.

Following consideration and agreement by Cabinet the Chief Executive and the Council's Leader will be asked to sign the statement to signify Cabinet's agreement to it, before the statement is published as a final document in September 2011.

Contact Names:

Colin Earl, Director of Audit and Governance, Ext 22033

Rob Houghton, Governance and Risk Manager, Ext 54424

Appendix A

Annual Governance Statement 2010/11

APPENDIX A

ROTHERHAM MBC ANNUAL GOVERNANCE STATEMENT 2010/11

1 SCOPE OF RESPONSIBILITY

Rotherham Metropolitan Borough Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Rotherham Metropolitan Borough Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

Rotherham Metropolitan Borough Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the code is on our website at www.rotherham.gov.uk or can be obtained from **Colin Earl on 01709 822033**. This statement explains how Rotherham Metropolitan Borough Council has complied with the code and also meets the requirements of the Accounts and Audit Regulations 2011 in relation to the publication of an Annual Governance Statement.

2 THE PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework comprises the systems and processes, and culture and values by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Rotherham Metropolitan Borough Council policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Rotherham Metropolitan Borough Council for the year ended 31 March 2011 and up to the date of approval of the Statement of Accounts

3 THE GOVERNANCE FRAMEWORK

The key elements of the systems and processes that comprise the Council's governance arrangements include arrangements for:

3.1 Identifying and communicating the Council's vision of its purpose and intended outcomes for citizens and service users

The Council and its partners have worked together to develop a vision and community strategy for the Borough which will steer progress over the next 10 years.

To deliver improved quality of life and services that meet local needs, the Council works with a range of partners within the Local Strategic Partnership members including local businesses, South Yorkshire Police, Voluntary & Community Sectors, and the National Health Service.

The Local Strategic Partnership has reviewed its priorities and governance arrangements, the purpose of the review being to ensure that the LSPs priorities and arrangements remain relevant and robust in line with current government requirements.

3.2 Reviewing the Council's vision and its implications for the Council's governance arrangements

The Council periodically updates its vision, objectives and performance targets by reviewing the Community Strategy, Corporate Plan and Local Area Agreement. Progress on key priorities is monitored and reported to Members on a regular basis.

3.3 Measuring the quality of services for users, for ensuring they are delivered in accordance with the Council's objectives and for ensuring that they represent the best use of resources.

The Council's performance management and financial management frameworks are linked through the Medium Term Financial Strategy (MTFS).

The Council has responded to the Government's consultation process on the Single Data Set identifying which indicators are most relevant to Rotherham. The Council's performance management system is linked to corporate priorities and reports are aligned to corporate plan priorities.

3.4 Defining and documenting the roles and responsibilities of the executive, non-executive, scrutiny and officer functions, with clear delegation arrangements and protocols for effective communication

The Council operates what is known as the "strong leader" model of local government following changes arising from the Local Government and Public Involvement in Health Act 2007.

The Council's Constitution sets out how the Council operates regarding how decisions are made and the procedures that are followed to ensure that these are efficient, transparent and accountable to local people. The Constitution sets out the basic rules governing the manner in which the Council conducts its business.

The Constitution includes a Scheme of Delegation whereby functions and decision-making responsibilities are allocated between the full Council, the Cabinet, individual Cabinet Members, regulatory boards and committees and officers.

The Council has a Member/officer protocol which has been provided to all Members of the Council and forms an appendix to the Officer Code of Conduct. The protocol encourages the effective transaction of business by setting out the respective roles of Members and officers and guidelines for good working relationships between them.

The Council publishes a Forward Plan which contains details of key decisions to be made by the Cabinet, and Chief Officers under their delegated powers.

3.5 Developing, communicating and embedding codes of conduct, defining the standards of behaviour for members and staff

The Localism Bill, expected to receive Royal Assent in 2011, contains proposals to abolish the Standards for England regime. Councils will no longer be required to have a local standards committee and the national code of conduct for elected members being dispensed with.

However, local authorities will be free, should they choose, to establish voluntary standards committees and be free to adopt their own, voluntary code of conduct should they so wish. The Council may decide to proceed with these options and is currently awaiting the final details for the Localism Bill to be released.

The Standards Committee currently comprises of Councillors and external Members. It is cross-party and has 15 members comprising of:

- 4 Borough Councillors (2 Labour and 2 Conservative)
- 8 Independent Members (Chair and Vice - Chair)
- 3 Parish Councillors

3.6 Reviewing and updating Standing Orders, Financial Regulations, a scheme of delegation and supporting procedure notes / manuals, which clearly define how decisions are taken and the processes and controls required to manage risks

The financial management of the Council is conducted in accordance with the rules set out in the Constitution, Standing Orders and Financial Regulations. The Council has designated the Strategic Director of Finance as the officer responsible for the proper administration of the Council's financial affairs in accordance with Section 151 of the Local Government Act 1972.

The Council has in place a 3-year Medium Term Financial Strategy, updated annually, to support the medium-term aims of the Corporate Plan.

The Council is required to set a budget in line with its objectives which is both balanced and sustainable, and takes account of advice given by the Strategic Director of Finance on the appropriateness of the level of the Council's reserves following an assessment of the risks inherent within the proposed budget. Once the budget has been agreed each service area monitors and manages its spending and income to remain within the allocated budget.

Asset management planning optimises the utilisation of assets in terms of service benefits and financial return.

The Council has a robust system for identifying, evaluating and managing all significant risks. The Council maintains and reviews a register of its corporate business risks linking them to strategic objectives and assigning ownership for each risk. All service plans identify risks which service directors are actively managing.

3.7 Ensuring that the Council's financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010)

The Council's Chief Financial Officer:

- Is a key member of Leadership team, helping it to develop and implement strategy and resource to deliver the Council's strategic objectives sustainably and in the public interest
- Is actively involved in and able to bring influence to bear on all material business decisions, to ensure immediate and longer term implications, opportunities and risk are fully considered, and alignment with the Council's financial strategy
- Leads the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

To deliver these responsibilities the Chief Financial Officer:

- Leads and directs the finance function that is resourced to be fit for purpose
- Is professionally qualified and suitably experienced

3.8 Undertaking the core functions of an audit committee, as identified in CIPFA's Audit Committees – Practical Guidance for Local Authorities

The Council's Audit Committee provides independent assurance of the adequacy of the audit and risk management frameworks and the associated control environment. The Audit Committee also oversees the financial reporting process and provides independent scrutiny of the Council's financial and non-financial performance.

3.9 Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful

The Council has designated the Assistant Chief Executive - Legal and Democratic Services as Monitoring Officer. It is the function of the Monitoring officer to ensure compliance with established policies, procedures, laws and regulations.

All reports to Cabinet requiring decisions take account of a range of control factors including risks and uncertainties, financial implications, and policy and performance implications.

3.10 Whistle-blowing and for receiving and investigating complaints from the public

The Council has a Confidential Reporting code for staff and a comprehensive Complaints Procedure.

3.11 Identifying the development needs of Members and senior officers in relation to their strategic roles, supported by appropriate training

Services are delivered by trained and experienced people. All posts have a detailed job description and person specification. Training needs are identified through the Performance and Development Review Scheme. Individuals' targets are derived from service and team plans. The Council has a partnership with Leeds Metropolitan University for the provision of bespoke and accredited management training.

Induction courses and e-learning packages are available for new Members and officers. A comprehensive programme of development activities (including induction) and training are specifically designed to improve the knowledge, skills and abilities of elected Members in their individual or collective roles in meeting the Council's corporate objectives. The programme is also designed to ensure that all Members are fully supported to carry out their increasingly complex roles. Members' individual development needs are identified in personal development plans.

A programme of seminars is run each year on topical governance issues for both Members and officers.

3.12 Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation

The Council entered into a range of public consultation exercises in developing the vision for Rotherham. The Corporate Plan reflects important issues identified by local communities.

Rotherham's Communications and Marketing Strategy is aimed at ensuring that citizens link continuous service improvements with the Council's core and associated brands, leading to increased satisfaction rates and enhanced reputation.

3.13 Incorporating good governance arrangements in respect of partnerships and other group working as identified by the Audit Commission's report on the governance of partnerships and reflecting these in the authority's overall governance arrangements.

The Council has issued comprehensive guidance to Directors covering expected good practice in respect of managing the four key areas of Partnerships risk:

- Governance Arrangements
- Financial Management Arrangements
- Performance Management Arrangements
- Ethical Arrangements

The guidance was updated in January 2009 and detailed self assessments were undertaken by lead officers of significant partnerships.

4 REVIEW OF EFFECTIVENESS

Rotherham Metropolitan Borough Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Director of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

The review processes that have been applied in maintaining and reviewing the effectiveness of the governance framework are outlined below in relation to the role of:

4.1 The Executive (Council / Cabinet)

Cabinet has continued to update the Community Strategy, Corporate Plan and Local Area Agreement. The plans have been updated in line with the 2008 -11 Local Area Agreement timeframe. The Council's Policy Framework is reviewed annually.

Cabinet has considered the findings from reviews undertaken by the External Auditor and other Inspectors.

The Council has reviewed its Local Code of Corporate Governance and has paid particular attention to ensuring that the Council's financial management arrangement conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).

Cabinet received regular Revenue and Capital Budget Monitoring Reports throughout the financial year. The Council responded positively to the Credit Crunch and the Economic Downturn, including making budget provision to support the response.

Cabinet receives regular progress reports on the implementation of the Local Development Framework, which that is a key driver to delivering sustainable development.

4.2 The Corporate Governance Group

Cabinet established a Corporate Governance Group to oversee the effective application of governance arrangements and to review specific corporate governance issues in detail. During the year, the group looked at:

- The Local Code of Corporate Governance
- Risk management strategy
- Corporate risk register
- Partnerships' governance
- Significant governance issues reported in the Annual Governance Statement
- Audit and inspection activity and reports.

4.3 The Strategic Leadership Team

During the past year the Strategic Leadership Team received reports regarding the management of the following good governance related issues:

<p>Vision / Strategy:</p> <ul style="list-style-type: none"> • Corporate Plan • Rotherham's Local Economic Assessment • Local Development Framework • Rotherham Partnership • Service Planning • Policy and Performance Review • 5 Year Change Agenda plan 	<p>Performance Management :</p> <ul style="list-style-type: none"> • Corporate priorities • Annual Audit Letter • Audit & Inspection recommendation monitoring • Quarterly performance reports • Government Single Data Set • Review of Policy and Performance • Scrutiny Work Programme
<p>Financial Management :</p> <ul style="list-style-type: none"> • Medium Term Financial Strategy • Suggested VFM Reviews • Revenue Budget and Council Tax for 2011/12 • 2010 Rotherham Ltd Funding Strategy • Capital Receipts and Council Tax 	<p>Risk Management :</p> <ul style="list-style-type: none"> • Risk management and Insurance Update • Information Security Policy Revision • Floods and Water Management Act 2010, Flood Risk Regulations 2009 Review • Corporate Risk Register

<ul style="list-style-type: none"> • Prudential Indicators and Treasury Management and Investment Strategy • Economic Downturn Review • Statement of Accounts • Capital and Asset Management Strategies, Plans and Programmes • Budget Proposals & action plans • Revenue Budget 	
<p>Corporate Governance :</p> <ul style="list-style-type: none"> • Annual Governance Statement • Partnerships' Governance • Local Code of Corporate Governance • Information Governance Unit • Scrutiny Review of Debt Recovery • Publication of spend over £500 	<p>Capacity and Capability :</p> <ul style="list-style-type: none"> • Sheffield City Region Leadership Programme. • Rotherham Council Workforce Issues Update • Employee Suggestion Scheme
<p>External Inspections / Reviews :</p> <ul style="list-style-type: none"> • Youth Offending Services Inspection • RMBC Notice to Improve Action Plan • Inspection of safeguarding and looked after children services 	<p>Communications and Engagement :</p> <ul style="list-style-type: none"> • Customer Feedback Annual Report • Customer Service Excellence Standard • Review of the Council's Communications and Marketing Function • Customer Services Consolidation Programme
<p>Internal Audit :</p> <ul style="list-style-type: none"> • Internal Audit Annual Report • Internal Audit Plan • Audit Committee Annual Report • Annual Review of the effectiveness of the system of Internal Audit 	<p>Commissioning / Procurement :</p> <ul style="list-style-type: none"> • Commissioning Framework • Procurement Strategy • NRF Future commissioning

4.4 The Audit Committee

During 2010/11 the Audit Committee provided independent assurance about the following good governance related issues:

<p>Internal Control, Corporate Governance & Risk Management :</p> <ul style="list-style-type: none"> • Annual Fraud Report • Risk Management Update • Localism Bill - Standards Regime • Managing the Risk of Fraud • Significant Partnerships Governance • Corporate Risk Register • RMBC Health and Safety Management Arrangements • Annual Statement of Assurance • Annual Governance Statement 	<p>Financial Management :</p> <ul style="list-style-type: none"> • Treasury Management • International Financial Reporting Standards • Requirement to Publish spend above £500 • Final Accounts Closedown • Statement of Accounts
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<p>Internal Audit :</p> <ul style="list-style-type: none"> • Internal Audit Strategy and Audit Plan • Audit Committee Workplan • Audit Committee Self Assessment • Annual Review of Internal Audit • Audit Committee Annual Report • Internal Audit Annual Report • Joint Audit Committee Activity 	<p>External Audit :</p> <ul style="list-style-type: none"> • KPMG Annual Audit Letter • Audit & Inspection Plan • Audit and Inspection recommendations update • Statement of Accounts
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4.5 Performance Scrutiny and Overview Committee

During 2010/11 the Performance and Scrutiny Overview Committee considered and reviewed the following good governance related issues:

<p>Vision / Strategy :</p> <ul style="list-style-type: none"> • Review of PE and Sport in Schools • Community Legal Advice Services • Scrutiny Review – Personal, Social, Health and Economic Education • Health Issues • Local Government Reform Implementation Plan - Direction of New Government • Rotherham Partnership Review • LTP3 Transport Strategy and Implementation Plan • Corporate Plan 	<p>Performance Management :</p> <ul style="list-style-type: none"> • RBT Performance • Payment of Invoices Within Thirty Days • Procurement Local Performance Indicators • Council Performance • Sector Self Regulation and Improvement
<p>Financial Management :</p> <ul style="list-style-type: none"> • Budget • Economic Downturn • Supporting the Local Economy • Requirement to Publish spend above £500 	<p>Risk Management :</p> <ul style="list-style-type: none"> • Corporate Risk Register • Floods and Water Management Act 2010 and Flood Risk Regulations 2009
<p>Corporate Governance :</p> <ul style="list-style-type: none"> • Local Government Reform Implementation Plan • Future of Overview and Scrutiny 	<p>Communications and Engagement :</p> <ul style="list-style-type: none"> • Equality Monitoring of Complaints
<p>Commissioning / Procurement :</p> <ul style="list-style-type: none"> • Local Performance Indicators • Procurement Strategy Action Plan 	

4.6 The Standards Committee

During the last year the Standards Committee considered and reviewed the following good governance related issues:

<p>Corporate Governance :</p> <ul style="list-style-type: none"> • Review of Local Code of Corporate Governance • Review of Complaints against Elected Members • Partnerships' Governance • Protocols for Local Authority Partnership Working • Localism Bill • Confidential Reporting Code 	<p>Capacity and Capability :</p> <ul style="list-style-type: none"> • Review of the Local Standards Framework • Standards Board for England Bulletins • Standards Committee Annual Report • Annual Return and Guidance Notes • Standards Committee Workplan
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4.7 Internal Audit

During 2010/11 Internal Audit reviewed all the Council's main financial systems, including Council Tax; Business Rates; Creditors; Payroll; Benefits; Housing Rents and Debtors. KPMG's 2010 review of the section found that the section met all eleven standards in CIPFA's code of practice for Internal Audit (see 4.9.1).

4.8 External Audit (and other external review / assurance mechanisms)

4.8.1 KPMG's review of "Internal Audit" concluded that the section was an integral part of Rotherham MBC and made a positive contribution to the overall internal control arrangements. KPMG added that Internal Audit had developed good practice in a number of areas.

4.8.2The Ofsted 2010 Inspection of "Fostering Services" concluded that 'Rotherham MBC operates a satisfactory fostering service that provides good outcomes for children in many respects. Children are well supported with their health and well consulted on the care provided for them. The authority has made a good start in involving looked after young people in the running of the authority and provides fostered children with strong support for their education'.

4.8.3The Care Quality Commission's inspection of "Safeguarding and looked after children services" concluded that the overall effectiveness of safeguarding services was adequate. Statutory requirements were met and there were recognisable improvements in safeguarding since the Government issued a Notice to Improve in December 2009. The Notice to Improve was removed in December 2010.

5 SIGNIFICANT GOVERNANCE ISSUES

5.1 Follow up on the 2009/10 significant governance issues

The significant issues raised in the 2009/10 Annual Governance Statement were:

5.1.1 Children and Young Peoples Service

The Council has worked with the DFE to produce improved performance. Confirmation of removal of the Notice to Improve was received on 13 January 2011. However, further evidence is required to provide assurance that effective budgetary controls are in place. An update of this is provided in 5.2.1.

5.1.2 Swinton Comprehensive School

Corporate working arrangements were in place to alleviate the budget deficit. There are still significant issues. These are described in 5.2.2.

5.1.3 2010 Rotherham Ltd

The in-house service provision for repairs and maintenance has been outsourced, alleviating some of the financial pressures being experienced by 2010 Rotherham Ltd. However, the current deficit and the reintegration of the service back into the council will present significant governance issues. An update is provided in 5.2.3.

5.2 Significant governance issues arising from the 2010/11 review of the effectiveness of the governance framework.

5.2.1 Children and Young Peoples Service

During June 2010, the Children and Young People's Service was projecting a significant overspend on Out of Authority placements for Looked after Children. An internal review identified areas where improvements could be made in the processes for managing placements and controlling costs. During the remainder of the year the service implemented revised processes. These will need to be effectively applied to show that the anticipated improvements are being achieved.

5.2.2 Swinton Comprehensive School

A 2009/10 internal audit of the Swinton Community School raised concerns regarding the financial planning and monitoring at the School, which had accumulated an unexpected deficit of £712,000 by March 2010. The deficit has increased to over £800,000 in 2010/11. Joint management of the situation by the Council's Finance and Children and Young People's Directorates and the School has now been put in place to manage the deficit.

5.2.2 2010 Rotherham Ltd

2010 Rotherham Ltd has existed since 2005 to manage the Council's housing stock and deliver the £280m decent homes programme of improvements to council houses in Rotherham. During its life, 2010 Rotherham Ltd has accumulated a significant financial deficit. The Council has recently made a decision to dissolve the company and re-integrate services into the Council. The

Council has established plans for managing any deficit that will transfer to the Council on the company's dissolution. The Council is also ensuring there will be appropriate arrangements in place for the effective financial management of the services returning to the Council.

6 LEADER AND CHIEF EXECUTIVE ASSURANCE STATEMENT

We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed
Councillor Roger Stone, Leader, Rotherham Metropolitan Borough Council

Signed
Martin Kimber, Chief Executive, Rotherham Metropolitan Borough Council

ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET
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1. Meeting:	The Cabinet
2. Date:	22nd June, 2011
3. Title:	Improving the administration of Choice Based Lettings and the Housing Register
4. Programme Area:	Neighbourhood and Adults Services

5. Summary

Choice based lettings (CBL) have been in operation in Rotherham since June 2005, since then there have been a number of improvements.

Recently it has been identified that further changes to the administration of CBL and the Housing Register are required in order to reduce the number of refusals of accommodation. Failure to address this will have significant impact on both void relet times and the perception of the CBL letting service.

This report details how we can make those improvements to achieve a reduction in the refusal rates, reduce unproductive work and minimise the length of time homes are left empty. As some of the recommendations represent a change to the current Housing Allocation Policy, The Cabinet are required to agree the policy changes.

6. Recommendations

That Cabinet:

- 1. AGREE THE HOUSING ALLOCATION POLICY DETAILED BELOW TO TAKE EFFECT FROM 1st JULY 2011.**
 - **RESERVE THE RIGHT NOT TO OFFER A PROPERTY**
 - **INCLUDE A SHORT TERM SUSPENSION OF APPLICATION FOLLOWING 2 REFUSALS IN BOTH THE PRIORITY AND GENERAL GROUPS.**
- 2. AGREE THE CHANGES TO THE VOID AND LETTING PROCESSES DETAILED IN SECTIONS 7.2 AND 7.11 OF THE REPORT TO TAKE EFFECT FROM 1st JULY 2011**

7. Proposals and details

7.1 “Key Choices” is a choice based lettings system (CBL) in which customers access social rented housing and the Allocation Policy sets out the way (the rules) in which we let these properties. The effectiveness of “Key Choices” is dependant on its simplicity where customers understand the process, it has added value as it is customer led though self empowerment and has transparency by advertising what properties are available.

Since the start of the CBL scheme in June 2005 there has been a reduction in refusal rates from 42% refusals in 2008 to 29% in 2010. However it has recently become apparent that the refusal rates have now started to increase with the current reported refusal to let ratio at 1 to 2.79. (35.8% of properties refused). Appendix 1 details the number of refusals and reasons between 5/9/10 to 29/2/11.

This report instigated a customer journey mapping exercise. This has involved the Service Improvement team speaking to staff and visiting customers to gain an understanding of their experience in the whole of the letting process.

The results are captured in this report and will inform service improvements and identify better working practices involved in lettings. The review, which is now complete, has included assessing the customers experience starting from the outgoing tenant when they terminate, their experience at the pre-termination inspection, how customers access information on the property adverts, bidding, how and when the application was verification, the viewing, the offer, satisfaction of void repairs and sign up arrangements.

The Service Improvement Officer also contacted customers who have refused properties to gain an understanding to the reasons why. These customers have advised that they refused the property due to the standard of repairs.

New Tenants Views

Findings

14 new tenants were contacted who have very recently taken on new tenancies and the Service quality team gathered their views on their experience:

- 29% (4) waited over 1 month to be told their bid had been successful.
- 21% (3) waited over 3 months to be told their bid had been successful.
- People new to an area stated that more information on the surrounding area would have been very useful.
- 79% (11) of the new tenants spoken to still have repairs outstanding.
- 100% of new tenants were happy with their new home.
- 100% of customers said they were happy with the service they had received from Key Choices.

- 64% (9) were happy with the service they had received from 2010 Rotherham.
- New tenants can be waiting up to two weeks for a un-cap and test of their gas supply, this delays moving in.
- New tenants are not offered help with sourcing their gas and electric suppliers if they need it.

One customer who accepted a property in December 2010 had actually been short-listed in September but was not contacted until 23rd December. As 4 months had elapsed she had forgot that she had made a request but then felt rushed into signing up for the property on Christmas Eve, also no safety checks could be made until the new year and grills were left on the property.

In addition to more information being made available about the local area, some of the advert information was incorrect. Example: One property was advertised as a parlour house, but the separating wall had been knocked down so it was therefore unsuitable for the medical needs of the applicant. This is a result of untrained staff carrying out inspections. This means that some applicants may be missing out on properties, or are wasting their bids.

There are recommendations for CBL in Section 7.11; there are also recommendations regarding the void process (in Section 7.2) that have been identified as part of the end to end review.

7.2 To summarise the recommendations regarding the voids process identified by the end to end review are:

Pre-termination inspection

- The void process from beginning to end should be carried out by one team, this would ensure a seamless service and only at the point of sign up should the Neighbourhood Champion be involved. One team would offer a consistent approach to all aspects of the service and ensure the customer gets the same standard of service across the borough.
- That Key Choices carry out the role of a voids team.
- Neighbourhood Champion should not carry out pre-term inspections of properties; this should be carried out by a qualified Technical Officer.
- Technical officers need to be part of the void team and work closely with contractors to keep void turnaround times as short as possible.
- Contractors should attend pre-terms so that identified works can be planned for, this would reduce void time.
- Voids team should have a point of contact at the Contractors so weekly updates on void properties can be given, this could be an email with an estimated timescale for the return of keys.
- Contractors should be made aware if a property needs clearing and then order this work with the Caretaking Teams. This should, in most cases, not delay repair work being started (only in the case of filthy, verminous or needles at the property).
- Clear instructions should be given to outgoing tenants on handing in keys; the process needs to be revised.

Viewing the Empty Property

- Ensure photo identification is requested and supplied by all new applicants on viewings and sign up. This could be stipulated when organising the viewing of the property with the tenant.
- Properties should be viewed by the voids team before taking tenants on a viewing and checks made to ensure the property meets the House Proud Standard.
- When furnished homes are to be fitted, ensure the tenant is capable of purchasing and carrying out the painting.
- Guidelines on decorating vouchers need to be reviewed and adhered to across the borough. (Decorating Packs are being considered as an alternative to vouchers. This will give a standard approach and customers will be given a choices of colours of paints which will be delivered directly to the customers within 48 hours)
- Evaluate the reason properties are being refused, getting the viewers to complete an evaluation form during the viewing and addressing constant negative comments. Providing more information in the offset could also reduce refusal rates.

Issues identified by the new tenants

- Ensure that furnished homes tenants have the means and are capable to carry out painting before furniture is delivered.
- Improve the turnaround time on gas testing. This is often taking up to 2 weeks after sign up.
- More contact with the tenant within the first 14 days to check that any unidentified repairs are reported and completed. This should be carried out by the Neighbourhood Champion.
- Neighbourhood Champions spend more time offering vulnerable tenants support during the first six months of their tenancy, this would be possible if they no longer were responsible for the void lettings process.
- Consider producing more localised information to go into sign up packs, or produce information packs on each area that could be displayed in the Property Shop or in local Neighbourhood Offices.

7.3 Examples of Good Practice for CBL in other authorities

As part of the evidence gathering House Mark and a number of local authorities have been contacted to identify “Good Practice” in relation to their CBL processes. The results from those who have replied are:

Berneslai Homes

Response: We ‘penalise priority applicants who refuse a reasonable offer of accommodation without good reason by reducing the level of priority. We have also recently introduced a ‘penalty’ for serial refuses in the lowest band. We have a number of people who apply each week then once offered they do

not go to accompanied view and just refuse the property. For those people if they **refuse 5 offers** without good reason the application is **suspended for 6 months**. We don't allow cooling off periods.

We allow 3 bids per week and aim to advertise the properties and make initial offers of vacancies during the notice period to reduce relet times.

Wakefield

Response - Wakefield doesn't impose penalties but they stop applicants bidding once they have been made an offer. Their target acceptance rate is only 70%.

The offer and viewing is made the week after the advert cycle closes. The applicant is allowed 3 bids per week. If they come top for all 3 properties the applicant is offered the properties in order of preference.

In order to reduce refusals Wakefield provide information about the local area on each property advert via "Google street view"

Bassetlaw District Council

Response

Applicants in non-priority bands who have **refused 3 offers** of suitable accommodation, having 'bid' for the property and refused the property without good reason or for a reason where the details were clearly displayed in the property advert, **will have their application suspended for 6 months** where they will not be allowed to place any 'bids' for advertised properties.

Applicants will only be made one offer of a property at a time. Once an applicant has been made an offer they will not be able to bid or be considered for other offers of accommodation until the current offer is refused. The successful bidder will normally be contacted within 48 hours of the close of bids. If A1 Housing is unable to contact the successful bidder within 48 hours this could result in the bid being withdrawn and the property being offered to the next suitable bidder. Applicants are expected to decide whether to accept or refuse the offer at the time of viewing the property.

A1 Housing reserve the right not to offer a property requested by the applicant where it is not considered in the best interest of the applicant, the community or A1 Housing.

7.4 How CBL works in Rotherham

Our CBL system is comparable with other CBL systems in the country, and its relatively early implementation meant that it was used as a model of good practice by other Local Authorities. Customer satisfaction levels with the CBL service have always been high.

Customers are limited to 3 bids per week, customers in the priority group can refuse 2 offers; after which their application category reverts back to the General Group. There are no consequences for customers in the General Group who refuse properties. This is in line with Government Code of Guidance in Allocations that suggests that Housing authorities should not, as a matter of course, impose penalties on applicants who refuse an offer of accommodation which they have applied for under a choice based lettings scheme.

Applicants aren't offered the property until it is ready to let, so the applicant continues to bid weekly until an offer is made. There is information about the local area on the property advert and "Google street view" is available on a TV screen in the Property Shop. The Key choices team are currently in liaison with RBT to add "Google street view" to the property adverts on the website.

A new ICT system called Abrisas will go live in September 2011, this system will reduce refusal rates by offering "real time queue position" and the system will only allow applicants to make 3 requests per week for properties that they are eligible for.

7.4.1 A detailed analysis of Rotherham's CBL processes has found that there are some working practices that impact on refusal rates which in turn creates unproductive work. These are:

There is a Lack of Feedback

- There is currently no individual feedback given on whether or not the applicant has been successful in their previous bids. The Allocation Policy states that if applicants have not been contacted within 10 working days they must assume that they are not successful. Weekly letting results are published and displayed on the internet in local offices and in the property Shop. Customers can identify properties they have bid for and then compare the date and group of the successful applicant for properties. The letting results give the customer an approximate guide to waiting times and demand for properties in their area of choice.

Offers are not made until the property is ready to let

- The current letting process is that applicants are not contacted to make an offer until the property is ready to let, this can be months after the close of bidding. An example is a flat in Parkgate which was advertised on 13th October 2010, the successful applicant wasn't contacted until the property was ready to let and the offer wasn't made until 21st January 2011. Between the 13th October and the 21st January 2011 the applicant made an additional 8 requests. By offering the property earlier at the end of the bidding cycle would have reduced the anxiety for the customer and also reduced refusals as the customer preferred to wait to see if they were successful for their original bid which they accepted.

There are no consequences for general applicants for refusals

- Applicants in the General category frequently turn properties down if offered. Having to contact the top applicants in the shortlist who have no intention of even viewing creates a lot of wasted work for the housing officer. For example a 2 bed house in Kimberworth was advertised on 5th January 2011. This property was offered to the General applicant at the top of the shortlist but they refused to accept the offer stating that they don't want it. As General applicants aren't affected following continual refusals this applicant has so far made 12 further requests, some of which they are not eligible for.
- By not reviewing or applying any sanctions to General housing applications, some applicants continually make speculative bids and are not making a serious commitment when they bid.
- Customers are making requests for properties with a lack of consideration of whether or not they would properly consider the property if they were to be made an offer. With private rented lettings the applicant will "think it through" before making a request, for example by viewing the immediate locality and undertaking some research into the local area, they may still then decide against a property when viewing, but some applicants in the CBL system appear to be bidding before they have given proper consideration as to whether or not they have a serious interest in a particular property.

7.5 Actions to improve the process

The following actions will improve the customer's experience and performance against refusal rates. These are:

ACTION - Applicants be encouraged to carry out some research into the area before making a request. This will be promoted by:

- *Advisors should support the customer and asking if they have researched the area, encouraging the customer to view the area if practicable, and if not provide more information about the area through the development of local information leaflets*
- *Prompts can be included on the internet which will prevent the applicant making a request until they have answered YES to having researched the area.*
- *Posters, leaflets and other signage can also encourage the applicant to check the area out prior to bidding.*
- *A "Tip for the Day" displayed on the new kiosks in the Property Shop.*
- *Provide Google Street View on individual property adverts, and the provision of information to tenants on local areas. This will be required both electronically and in hard copy format.*

ACTION – Reduce the number of speculative bidders, (i.e. those applicants who are constantly bidding and are not prepared to move when are offered a property). We will ensure this happens by:

- *Imposing a short term suspension from bidding following 2 refusals in all groups including both the priority and general group. The proposed penalty is a suspension of the customer’s application, as opposed to total cancellation as this would go against the Code of Guidance in Allocations. These applicants will be suspended until they have had an interview to discuss their circumstances, housing options and understanding of the letting scheme.*
- *Developing a leaflet which details the consequences of refusing 2 properties. This would be issued at the initial application stage.*

ACTION - Give real time feedback to the customer i.e. queue position when bidding:

A case study relating to feedback identified that Mrs X came top of a shortlist for 3 bedroom house on Broadway East, the shortlist was produced on the 9th February 2011. On the 18th March (37 days later) she signed for a property on Park Road. Broadway East was signed up to the person who came 5th on the shortlist on the 21st March. Mrs X would have preferred the property on Broadway East and would have waited to be housed there had she known.

- *Feedback will be available when the new Abrisas system goes live in September 2011.*

Action – We should arrange viewing with the new tenant before the existing tenant has left. We will need to:

- *Change the termination procedure requesting that the outgoing tenant allow viewings before they move. Alternatively where this is not appropriate to arrange a viewing on the receipt of keys before the void repairs are ordered. The latter can accommodate multiple viewings.*

7.6. The 1st column in the table below details the current process and the 2nd column shows how we can make improvements to the CBL processes and the Allocation Policy.

Current Process	New Process
Households in the priority group are time-limited. There is evidence that customers feel that they have got to actively bid in order for their priority not to be cancelled. This means that some people are regularly bidding for properties that they do not want.	All applicants who have been awarded priority status have a case officer. The case officer to provide more information to the customer about the area and bidding process
Households in the General Group aren't affected if they continually	The Allocation Policy (section 5) outlines the impact of refusing an offer.

<p>refuse properties. Some applicants keep coming at the top of the shortlist with no intention of moving house in the first place.</p>	<p>Applicants in the Priority group lose their priority status following 2 refusals. If the Policy was amended so that ALL groups, including General applications, were reviewed following 2 refusals, applicants would give more careful consideration to their requests.</p> <p>Imposing penalties goes against the Code of Guidance however in order to reduce refusal rates most authorities are now starting to suspend applicants from the bidding process for 6 or 12 months, another option would be to cancel the application altogether.</p> <p>An alternative for those households who refuse 2 properties would be to suspend until the applicant has had a review interview to discuss preferences and housing options. However this would incur additional staff time to undertake the review meeting.</p>
<p>There are delays in verifying shortlists. The current verification process means that applicants aren't contacted until the property is ready to view. This means that applicants make a request and then may have to wait several weeks or months (long term voids) before they are contacted to make the offer. In the meantime the applicant continues to make requests for other properties. They often appear on the top of other shortlists, view out of curiosity but refuse as they would prefer to wait for their original requested property.</p> <p>As the verification process isn't undertaken while the property is ready to let when a customer is contacted by a Neighbourhood Champion regarding viewing a property, the pressure to view that property as soon as possible is evident and often the customer will be asked to view within the next 24</p>	<p>Verify and offer at the end of the bidding cycle. The early viewing can only be achieved by viewing the property whilst the previous tenant is still in situ. As part of the termination process the outgoing tenant should be informed that this will occur.</p> <p>Arrange multiple viewings following the receipt of keys from the outgoing tenant. This will enable the property to be let on the 1st and only viewing date.</p> <p>On long term voids, show the applicant around the property. Advice what work will be carried out within what timescales and the standard it will be brought up to.</p> <p>When the applicant accepts, this must be input on the computer and the applicant requested to sign a form of acceptance. Their application will be cancelled and this will prevent any further bids.</p>

<p>hours. Contacting the customer in good time and even before the property is ready to view gives the opportunity to visit the area and consider the move.</p> <p>A complaint has been made by a gentleman who was unable to take a call during working hours. When he contacted the Neighbourhood Champion the following day he was told he had “missed out” and the property had been given to the next person on the list.</p>	
<p>Applicants are currently restricted to making 3 bids per week; however the current ICT system doesn't monitor this so in effect applicants can make as many bids as they like.</p>	<p>In September 2011 Abrisas will be live and this system will automatically restrict bids to 3 per weekly bidding cycle.</p>
<p>Customers currently don't know where they are in the bidding process; so inevitably applicants make requests, with little thought as there is the perception that if they don't make requests then they will never be made an offer. Ultimately when they are successful and are approached to make the offer the applicant refuses because it's not really what they want.</p>	<p>Applicants need to know where they are in the bidding process to aid efficient bidding. In September 2011, Abrisas will be live and the system will give the customers a real time queue position Applicants can change/withdraw their 3 bids during the advertising cycle.</p> <p>Touch screen kiosks will be available in the Property Shop.</p> <p>An automated telephone bidding line will give queue positions in 10 languages.</p>
<p>Applicants who have been made an offer are currently allowed a cooling off period.</p>	<p>On viewing the applicant should be in a mind set that they want the property with the intention of accepting. If this property was a private rented or mortgage property customers would be expected to make a firm commitment after viewing.</p>
<p>There is a perception that customers with Priority Plus can refuse properties and still be allowed to retain their Priority Plus status. Sometimes the customer feels that as they are in real urgent housing need the Council will allow multiple refusals.</p>	<p>Amend existing leaflets to contain information about refusals and the impact of refusing.</p>

<p>Older applicants often make requests but are then faced with barriers to assist them with moving, often they are too proud to ask for help and give another reason for refusal</p>	<p>In June external funding will facilitate a small team that will support customers and identify and remove barriers to moving to a smaller home. But again if the applicant isn't prepared to move for what ever reason they should be discouraged from bidding in the first place.</p>
<p>Sometimes applicants may feel pressured by other members as there maybe medical reasons and they need to move as opposed to wanting to move, deep down they would prefer to remain living where they are.</p>	<p>The medical assessment team who have made the assessment to undertake the viewings on adapted properties. The officer who has made the assessment of the customers medical needs will be able to explain to the customer how the property or adaptations will help them in their daily living.</p>
<p>The offer isn't made until the property is ready to let. This causes delays when applicants cannot be contacted to verify their application. Applicants are giving a period to make contact before the offer is made to the next applicant</p>	<p>To verify applicants within 48 hours of the close of bidding. Applicants should be made aware that at the time of the bid they must provide up to date contact details. If housing is unable to successfully contact within 48 hours this would result in the bid being withdrawn and the property being offered to the next suitable bidder</p>

7.7 Provision of Information - The 1st column in the table below details the current provision of information. The 2nd column shows how we can make improvements which will enable the customer to make more informed decisions about the property before they make a request

Current Process	New Process
<p>Advert information – information about the local area is available on the web via links from the adverts. There is limited information for applicants who do not use the web about the local area. i.e. schools, shops, crime rates etc</p> <p>Property advert photographs – the photographs of properties look appealing but can sometimes be misleading of the area when the customer actually attends the viewing.</p>	<p>Where the customer cannot access the web the Allocation officer will verbally provide all the local information on verification, and encourage the applicant to visit the area for themselves. Applicants would be encouraged to take more responsibility and make enquiries about the area prior to bidding.</p> <p>Information to encourage the customer to act responsibly and to “check out” the area could be displayed on posters, on “pop ups” on the website, in the Allocation Policy Summary booklet and within annual review letters. This could</p>

	<p>also form part of the conversation from advice workers and be an automated message on the bidding line.</p> <p>Google Street View to be linked to all adverts.</p>
<p>CBL helps the customer see how few properties become available. The aspirations of a customer maybe for a particular area and property type but if the council don't own any in these in the area they want to live the applicant needs to know this.</p>	<p>Managing expectations - Provision of information about the stock and property types in localities including turnover.</p>

7.8 The Housing Register - The housing register application form is designed to identify housing needs. Customers complete a housing application and this is input directly onto a data base, no further contact is made with the customer until they are offered a property, This means that during this period (from applying to go on the housing register to being made an offer) the application may not be in the correct category or family group. E.g. on receipt no checks are undertaken to verify the accuracy of information and throughout the period change in customers circumstances over a number of years could affect their application status and they be in the wrong category when an offer is made.

Knowing what the applicants current circumstances are is crucial when making requests as they need to be in the correct queue position in the shortlist prior to making an offer. This will ensure that applicants are only able to bid for properties they are eligible for. E.g. single persons to be able to bid for flats (only) and families for houses.

Correct information should be gathered and confirmed with the customer early on when the customer applies. At this point other housing options and needs can be identified and advice provided on any former tenant arrears. The customer can then be kept in contact by undertaking regular housing register reviews. Both of these processes are not currently being undertaken in a timely fashion.

The table below details how we can make changes to ensure up to date information is contained in the Housing application, as ultimately any incorrect data impacts on refusal rates.

Current Process	New Process
<p>The current CBL system enables applicants to make requests for properties that they are not eligible for, and this wastes time in the offer process. Sometimes applicants fit</p>	<ul style="list-style-type: none"> • Verify on receipt of a housing application, this will ensure applicants can bid for properties that meet their family size and will alert the customer to any debt they may have from

<p>their circumstances around the criteria of the property. I.e. single people bidding for houses.</p>	<p>former tenancies early on. This creates more work for staff early on at the initial application stage but ultimately reduces unproductive work by reducing ineligible bids, creates sustainability as the customers needs match the property and will reduce former tenant arrears and recharges for damages.</p> <ul style="list-style-type: none"> • The new Abtritas CBL ICT system will not allow applicant to bid for properties they are not eligible for so it is imperative the correct data is recorded on applications. • Undertake annual Housing Register Reviews will ensure applications are kept up to date with changes of circumstances • Alert the Housing Champions on receipt of a transfer application. An existing tenant must keep their current property in a satisfactory condition before Housing will offer the tenant another property. The application should be suspended where the property is found to be in an unsatisfactory condition. • Verify the successful application when they appear at the top of the shortlist at the end of the weekly bidding cycle not when property is ready for letting. • Empower and encourage customers to update their own records online.
<p>The current CBL system allows applicants who have been previous tenants with rent arrears, to bid for properties even if they are not eligible, sometimes these applicants are unaware that they have any rent arrears, and this can be quite a shock when they are informed of their arrears on viewing and how this affects their application.</p>	<ul style="list-style-type: none"> • Advise customers of former tenant's arrears on receipt of termination – This can be verbally when the customer 1st notifies of intention to terminate. • Send an Acknowledgement termination letter which includes a statement of arrears and arrangements to repay • On receipt of a new application from a former tenant, advice the customer verbally and in writing of arrears, and make arrangements to repay. • The new Abtritas system will not allow applicant with arrears to make

	property requests until they have met the 13weeks criteria or cleared arrears
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7.9 The list of refusal reasons should be amended as some are verification; acceptance or administration reasons not refusal reasons. Those detailed in the table below are not refusal reasons and should be removed.

Rent arrears	1
Firm offer other property	1
Firm Offer Accepted	6
Offer Misinput	17

7.10 Inappropriate re-housing. In certain circumstances applicants may be excluded from Rotherham's Housing Register under the Housing Act 1996 and the Homelessness Act 2002. An exclusion from the Housing register is where Rotherham decides that it should not re-house the applicant for a set period of time.

However in some cases the history of the applicant is not known until the applicant has made a bid and may appear at the top of the shortlist and be due to be made an offer. In these cases where a local letting policy does not exist there is little time to consider exclusion. There are also cases where applicants request a property that is not suitable. i.e. it is too small or the applicant needs adaptations and the property does not meet the requirements.

It is proposed that the Allocation Policy be amended so that we reserve the right not to offer a property requested by the applicant.

Examples of circumstances where this will apply will include, but not be restricted to, if the applicant:

- Requests an area where they may be unable to sustain a tenancy from lack of support
- Requests a property that is too small for their family circumstances and this would lead to an unacceptable overcrowding or cramped living conditions of the property including non statutory overcrowding
- Has specific needs for disability adaptations and the property does not meet these requirements
- Has previously been involved in a breach of tenancy conditions in an area
- Has been involved in anti social or criminal behaviour in an area

- Has been involved in actions that, if they were a Council tenant, would have been a breach of the housing's conditions of the tenancy

Individual cases that are being considered by Housing Assessment Panel for Priority Plus status will also take the above criteria into account when making their decision. This list is not exhaustive and all cases will be assessed on an individual basis,

Housing should also be able to decide that it is in the best interests of the applicant that they only be offered a particular area, type of property or a specific property. Where this applies the applicant will be advised in writing of the reasons for this decision.

7.11 In addition to the recommendations regarding the voids process noted in Section 7.2 further recommendations regarding CBL are:

Amendments the Allocation Policy

- Reserve the right not to offer a property requested by the applicant as defined in section 7.9
- Include a short term suspension of application following 2 refusals in both the priority and general groups. The applicants will be suspended from the bidding process until they have had a review meeting with the Housing Options team.

Amendments to the CBL process

- Verify applications within 2 days of the close of the weekly bidding cycle
- Amend the termination process to arrange viewing with the new tenant before the existing tenant has left.
- Amend the refusal reasons

Amendment to the administration of the Housing Register

- Verify applications following receipt of a new application
- Provide housing options on receipt of a application
- Arrange for Housing Management to visit transfer applications to determine any breaches early on
- Undertake annual housing register reviews

Provision of advice and Information

- Case officers to provide more information to the customer about the area and bidding process and to discourage the applicant from bidding until they have researched the area.
- Develop an information leaflet, prompts on the internet, posters, and other signage to encourage the applicant to check out the area prior to bidding.

8. Financial implications

8.1 The review of the housing register and provision of more information, such as the Allocation Policy Summary booklet and Refusal Leaflets requires additional resources. The refusal information will be incorporated into the Allocation Policy Summary booklet as opposed to a separate leaflet. Any additional costs will be met from the saving made from ending the use of the Rotherham Advertiser. (March 2011) There are financial implications for staffing costs if penalties aren't imposed following 2 refusals. Private Letting agencies apply an administration fee to cover their costs.

9. Risks and Uncertainties

9.1 The risks include meeting customer expectations, lack of understanding of the processes which affects the reputation of the Council associated with people waiting for a home, increasing the volume of face to face enquiries visiting the Key Choices Property Shop – currently averaging at 2000 customers each week and the number of telephone enquiries has increased to 100 per day.

9.2 Availability of affordable, quality housing is a key concern for customers and Elected Members. With high demand for housing, it is important that the process for allocation and letting is transparent otherwise it may damage the public perception of the Council and its partners.

10. Policy and Performance Agenda Implications

There are a range of policy and performance implications associated with this report:

Performance implications

- Impact on Performance measures such as NI 156 – “reduction in use of temporary accommodation
- BVPI 212 targets
- Void Management Processes and staffing resources.

Policy implications

- Housing Strategy
- Allocation Policy
- Homelessness Prevention Action Plan

11. Background Papers and Consultation

Background papers

- Scrutiny review report for Choice-Based Lettings process and Voids Scrutiny review (reported separately)

- HQN publication “ *What does excellence look like in Allocations and Lettings*”
- HQN publication” *Managing Housing Registers in England*”

Consultation

Officers within RMBC and 2010 Rotherham Ltd have been involved in the development of the new processes and have been consulted on the content of this report. A range of information, good practice and evidence has been provided and included in the report.

Contact Name:

Dave Richmond, Director of Housing & Neighbourhoods

**Sandra Tolley, Housing Choices Manager, Extension 6561,
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ROTHERHAM BOROUGH COUNCIL - REPORT TO CABINET
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1.	Meeting:	CABINET
2.	Date:	22nd June 2011
3.	Title:	2010/11 Financial and Performance Outturn Report on Major External Funding Programmes and Projects
4.	Directorate:	Financial Services & Chief Executives

5. Summary

This report provides an overview of the performance and achievements of the Council's major external funding programmes and projects for the period January to March 2011 and also against the targets set for the financial year 2010-2011.

The priorities for each regime, together with the context of each project / programme's contribution to addressing those priorities have previously been provided as an appendix to the report in December 2007.

6. Recommendations

That Cabinet:

- **notes the content of the report**
- **considers the progress and actions underway to address areas where the expected outcomes for the major external funding programmes and projects are not in line with the targets set.**

7. Proposals and Details

7.1 Background

Progress reports have been provided since April 2007 to update SLT and Cabinet on the financial performance and achievements of the externally funded programmes and projects in Rotherham. This progress report is the outturn for 2010/2011 financial year, and indicates performance against targets for the last financial year.

The major externally funded schemes considered in this report are:-

- Building New Council Housing (BNCH)
- Department for Education (previously DCSF) Play Pathfinder – now complete
- European Union ERDF and ESF
- Future Jobs Fund (FJF)
- Growth Points Programme (GP) – now complete
- Housing Market Renewal Pathfinder (HMRP) – now complete
- Neighbourhood Renewal Fund – Transitional Funding (NRF TF)
- Private Finance Initiatives (PFI)
- Regional Housing Programme (RHP)
- Yorkshire Forward Single Pot (SRIP)

The majority of the funds are managed as programmes by RMBC and have well established and robust quarterly reporting mechanisms with the relevant Government departments. It should be noted that Department for Education Play Pathfinder, EU funding and the Future Jobs Fund are managed in Rotherham as individual projects not programmes, but the objectives of these funding regimes, together with the projects' contributions towards achieving those objectives, are included for completeness.

Details of the financial performance and achievements to date on these funding regimes follow.

7.2 Summary of progress and performance to date – Key headlines

Appendix 1 provides a financial and performance summary (including a RAG Status) for funding regimes and individual projects currently being delivered across the Borough. The main issues to be highlighted from this summary are:

- **Building New Council Housing** – Bad weather conditions in December 2010 led to a significant underspend that has been rolled forward to facilitate completion of works by the end of May 2011.
- **Department of Education Play Pathfinder** – Now completed. Clifton Play Park and 29 play areas across the Borough have benefitted from this funding.
- **European Union ESF & ERDF** – The 14-16 & 16-19 NEETs projects continue to perform well, with the number of young people engaged on the programmes exceeding output targets. The Rotherham Employability project has had to return ERDF funding due to an unmatched underspend occurring due to subcontractors' under performance. The RMBC contracted outputs will however be achieved and there will be no detrimental impact on the reputation of the Council.
- **HMRP** – This programme has now closed, and remaining commitments will be met by utilising Regional Housing Board monies.
- **Yorkshire Forward SRIP** – all remaining projects are spending to target.

Further details of the performance and achievements for each funding stream are summarised below. The appendices accompanying this report provide a variance analysis of the financial performance for each funding stream as well as details of future

years' funding available to the Council. Any project exhibiting greater than a 10% variance is described individually below.

7.3 Building New Council Housing (BNCH)

The quarter 4 spend target is £12.094m with actual spend being £8.664m, resulting in a £3.430m underspend. Progress on sites was delayed by severe weather in December 2010. Revised completion dates were approved with HCA and all funding is secured subject to site completion being delivered as per the agreed schedule (below). The timescale for completion of the various sites is as follows, and all new developments will be completed by the end of September 2011:

	Completion March/April 2011 - received balance of funding in
Newland Avenue	March
Wood Street	Part completion March 2011 - received part funding in March
Wood Street	Scheduled in May 2011 for final drawdown
Stone Park Close	Scheduled for completion in May 2011 for final drawdown
Albert Road	Completion Q1 2011-12
Albany Road	Completion Q2 2011-12
Rother View Road	Completion Q2 2011-12

Appendix 2 provides a summary of performance.

7.4 Department for Education (DfE) Play Pathfinder

The final quarter spend target is £72k and this has been achieved in full. The Rotherham Play Pathfinder programme has created or refurbished 29 play areas including Clifton Play Park (in Clifton Park). The Programme is now complete.

Appendix 3 provides a summary of performance.

7.5 EU Funding – European Social Fund (ESF) and European Regional Development Fund (ERDF)

ESF projects:

14-16 NEETs (CYPS lead)

The spend target for the ESF 14-16 NEETs project is £693k with actual spend being £518k. This is a notional under spend of £175k as the funding is paid on a profile and unit cost basis rather than actual spend each quarter. The number of beneficiaries now engaged on the programme has exceeded the target and 75% of qualifications have been achieved to date. The Skills Funding Agency has extended the lifetime of this project to June 2011.

16-19 NEETs (CYPS lead)

The quarter 4 spend target for the ESF 16-19 NEETs project is £194k and this has been achieved. This project is due for completion at the end of December 2011.

Output performance is good:

- Young people starting on the programme 101% to target
- Completion of non-accredited learning 124% to target
- Completion of accredited learning 122% to target
- Progression into employment 117% to target
- Progression into training/education 79% to target.

Overall output performance is at 103% to profile.

ERDF projects:

Technical Assistance (CEX lead)

The quarter 4 spend target for the three Rotherham projects is £181k; £130k has been spent leaving an underspend of £51k. Each of the projects has a minor underspend, due respectively to an unfilled vacancy, and the late agreement of the contract variation. The projects, however, remain on target to achieve the required outputs and the remaining ERDF funding will be rolled over into 2011/12 with an expected end date of 30th June 2011.

Enterprising Neighbourhoods (EDS lead)

The spend target for quarter 4 is £1.395m with £1.140m being spent leaving an underspend of £255k. This underspend will be addressed by rolling forward the funding to support further activity in the next financial year.

Rotherham Employability (EDS lead)

The quarter 4 spend target was £1.032m, with £625k being spent, resulting in an underspend of £407k. This underspend is due to subcontractors not delivering as many outputs as expected meaning that the Council is not able to draw down all funds from Yorkshire Forward. Unfortunately due to reductions in the Single Pot match available to this project, the underspend cannot in this case be rolled into the next financial year. Project activity will continue to March 2012 and all offer letter conditions are expected to be met.

Appendix 4 provides details of the five projects that are currently EU funded.

7.6 Future Jobs Fund (FJF)

The spend target to the end of March 2011 is £2.578m with a total of £2.709m expenditure being achieved, resulting in an overspend of £131k.

Claims are based on the actual monthly wages of people on the programme and this quarter, more people than estimated stayed to the end of their six months creating an overspend. All spend is able to be claimed from the funder,

Appendix 5 provides a summary of performance.

7.7 Growth Point Programme (GP)

The target spend for quarter 4 is £1.338m and £1.207m has been spent, leaving a balance of £131k. Canklow Phase 1 is now complete and, as planned, the balance of funding will be used in 2011/12 to meet revenue and capital expenditure costs related to the management of the neighbourhood. The funding requirement to implement Canklow Phase 2 and the timing of demolition of the unsustainable housing in Warden Street will be issues for further consideration in a separate report to be presented to Cabinet in June.

Appendix 6 provides a summary of performance to date.

7.8 Housing Market Renewal Pathfinder (HMRP)

This programme is now finished, with a minor overspend of £3k. Regional Housing Board funding will be accessed to support remaining commitments in 2011/12 (Bellows Rd and related enabling costs).

Appendix 7 illustrates financial performance of the Programme to date.

7.9 Neighbourhood Renewal Fund – Transitional Funding (NRF-TF)

The NRF TF is a flexible programme and any variance can be reprofiled throughout the lifetime of the programme. The spend target for quarter 4 is £1.079m with the actual expenditure being £1.035m; an underspend of £44k. There is some slippage on employment/enterprise projects, including All Saints/Minster Gardens, where the bulk of 2010/11 spend has been claimed from Yorkshire Forward in order to maximise available external grant.

Appendix 8 illustrates the financial performance of this programme to date.

7.10 Private Finance Initiatives (PFI) – Waste Management

The Council is currently engaged in a joint Waste PFI procurement with Barnsley and Doncaster Councils to provide residual waste facilities for the 3 boroughs. The competitive dialogue process is continuing, and final tender submissions were received from both bidders on the 17th January 2011. Following an evaluation process, Cabinet recommended the appointment of 3SE (Shanks, Scottish and Southern Energy) as preferred bidder at their meeting of 23rd March 2011. Work has now commenced on finalising the contract documents, with financial close programmed for September 2011.

7.11 Regional Housing Programme (RHP)

The quarter 4 spend target is £2.908m with actual spend being £1.765m, this is an under spend of £1.143m. Regional Housing funds have been carefully managed to meet ongoing commitments across the Borough. The 2011/12 commitment has been reduced due to delays in delivering the Bellows Road programme which is now forecast to be delivered across two years. A report to Cabinet is being drafted to consider how such activities could be financed in 2011/12.

Appendix 9 illustrates the financial performance of this programme to date.

7.12 Yorkshire Forward Single Pot (SRIP)

Only three active projects remain that are funded by SRIP, with a total spend of £2.257m which has been achieved in full. All projects are spending to target.

A listing of Rotherham projects currently funded by SRIP is attached as **Appendix 10**.

8. Finance

A substantial amount of external funds are used by RMBC in order to assist in delivery against the Council's priority areas. In addition, RMBC is the accountable body for a number of external funds and is therefore responsible for the proper use, monitoring and audit of these resources. As with most public funds, external funds are often subject to the "use it or lose it" regime; it is therefore imperative that RMBC maximises these additional resources and ensures the money is used wisely to meet our priorities and isn't left unused at the end of the particular period or programme.

9. Risks and Uncertainties

The main risk associated with this report is that external funds allocated to RMBC and its partners are not fully used and therefore ultimately lost to the Borough. It is the purpose of this report to assist in alleviating this issue, through monitoring the major externally funded schemes and bringing to attention potential areas of underspend and under performance.

10. Policy and Performance Agenda Implications

Externally funded programmes are used to assist in the implementation of delivering against the RMBC priority areas. It is vital that this additional resource is appropriately targeted and fully used. This report looks at the performance to date for the main externally funded programmes.

11. Background Papers and Consultation

Consultation with:

Economic Strategy Team, EDS

External Funding, CYPS

External Funding Team, Financial Services

Neighbourhood Investment Team, Neighbourhoods and Adult Services

Policy and External Affairs Team, Chief Executive's Office

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Funding Regime	2010/11 Approved Budget (£)	Actual Spend (£)	Total Variance (£)	% Variance	Financial and Performance Summary	RAG Status
Building New Council Housing	12,093,805	8,664,197	3,429,608	28.4%	Agreement of a revised timescale for completion is in place with the funder Homes & Communities Agency.	GREEN
DfE Play Pathfinder	72,345	72,345	0	0.0%	Programme now completed.	GREEN
European Union ERDF / ESF & LSC Co-financed	3,495,545	2,607,312	888,233	25.4%	There are five projects supported by EU funding: please see individual detail on their progress within the main body of the report.	AMBER
Future Jobs Fund	2,578,400	2,709,700	-131,300	-5.1%	The overspend is notional, and created by a higher number of participants staying to the end of the programme. All spend is able to be reclaimed from the funder.	GREEN
Growth Point	1,337,597	1,206,867	130,730	9.8%	The balance of funding will be used to meet the ongoing costs managing the Canklow Phase 1 neighbourhood.	GREEN
HMR Housing Market Renewal Pathfinder	3,704,000	3,707,290	-3,290	-0.1%	Programme now completed.	GREEN
NRF - Transitional Funding	1,078,988	1,034,901	44,087	4.1%	Minor underspends due to maximising YF external funding.	GREEN
Regional Housing Programme (RHP)	2,908,454	1,765,516	1,142,938	39.3%	Funding is secured and will be used to meet ongoing commitments across the Borough in 2011/12.	GREEN
Yorkshire Forward Single Pot	2,257,229	2,257,229	0	0.0%	Spend on target.	GREEN
	29,526,363	24,025,357	5,501,006	18.6%		

Key to RAG Status:

RAG Status	Explanation
RED	A funding regime or individual projects will not be in a position to deliver both the financial and performance targets. As a consequence significant grant funding will need to be returned and there could be reputational damage to Council with that funding body
AMBER	A funding regime or individual projects may not meet either the financial and performance targets resulting in the possibility of grant funding being returned to the funding body
GREEN	A funding regime or individual projects is/are on course to meet both financial and performance targets

**FUNDING REGIME: Building New Council Housing
Round 1, 2 & 3**

Project Name	Lead officer	2010/11				Reason for Variance / Action Required / Taken	Future Years		
		Annual Spend Target (£)	Quarter 4 Cumulative Approved Spend (£)	Actual spend to 31 March 2011 (£)	Variance (£)		2011/12 Target Spend (£)	2012/13 Target Spend (£)	2013/14 Target Spend (£)
Building New Council Housing Round 1, 2 & 3	Paul Walsh	12,093,805	12,093,805	8,664,197	3,429,608	Detail provided within the body of the report.	7,320,227	0	0
	TOTAL:	12,093,805	12,093,805	8,664,197	3,429,608		7,320,227	0	0

FUNDING REGIME: Department for Education Play Pathfinder

Project Name	Lead officer	2010/2011				Reason for Variance / Action Required / Taken	Future Years		
		Annual Spend Target (£)	Quarter 4 Cumulative Approved Spend (£)	Actual spend to 31 March 2011 (£)	Variance (£)		2011/12 Target Spend (£)	2012/13 Target Spend (£)	2013/14 Target Spend (£)
Revenue Programme	Nick Barnes	72,345	72,345	72,345	0	Work on this programme has now completed.	0	0	0
	TOTAL:	72,345	72,345	72,345	0		0	0	0

FUNDING REGIME: European Union ESF and ERDF, also LSC Co-financed

Project Name	Lead officer	2010/2011				Reason for Variance / Action Required / Taken	Future Years		
		Target Annual Spend (£)	Quarter 4 Cumulative Approved Spend (£)	Actual spend to 31 March 2011 (£)	Variance (£)		2011/12 Target Spend (£)	2012/13 Target Spend (£)	2013/14 Target Spend (£)
Chief Executive's									
ERDF - Priority 5									
ERDF Technical Assistance	Barbara Moulson	181,457	181,457	130,523	50,934	Detail provided within the main body of the report.	0	0	0
Children & Young People's Services									
ESF Learning & Skills Council (LSC) Co-financed									
16-19 NEETs (Profiles based upon Calendar Years as per LSC contract)	Tricia Smith	650,340	193,586	193,586	0	Detail provided within the main body of the report.	0	0	0
ESF 14-16 NEETs	Tricia Smith	692,860	692,860	517,980	174,880	Detail provided within the main body of the report.	0	0	0
Environment & Development Services									
ERDF - Priority 3									
Enterprising Neighbourhoods Project	Simeon Leach	1,395,244	1,395,244	1,139,709	255,535	Detail provided within the main body of the report.	1,094,105	0	0
Rotherham Employability Project	Simeon Leach	1,032,398	1,032,398	625,514	406,884	Detail provided within the main body of the report.	983,839	578,839	0
	TOTAL:	3,952,299	3,495,545	2,607,312	888,233		2,077,944	578,839	0

FUNDING REGIME: Communities & Local Government - Future Jobs Fund

Project Name	Lead officer	2010/2011				Reason for Variance / Action Required / Taken	Future Years		
		Annual Spend Target (£)	Quarter 4 Cumulative Approved Spend (£)	Actual cumulative spend to 31 March 2011 (£)	Variance (£)		2011/12 Target Spend (£)	2012/13 Target Spend (£)	2013/14 Target Spend (£)
Future Jobs Fund	Simeon Leach	2,578,400	2,578,400	2,709,700	-131,300	Claims are based on the monthly wages of people on the programme and this quarter, more people than estimated stayed to the end of their six months creating an overspend which has been claimed in full from the funder.	202,600		
TOTAL:		2,578,400	2,578,400	2,709,700	-131,300		202,600	0	0

FUNDING REGIME: Growth Point Programme

Project Name	Lead officer	2010/11				Reason for Variance / Action Required / Taken	Future Years		
		Annual Spend Target (£)	Quarter 4 Cumulative Approved Spend (£)	Actual spend to 31 March 2011 (£)	Variance (£)		2011/12 Target Spend (£)	2012/13 Target Spend (£)	2013/14 Target Spend (£)
Growth Point Programme	Paul Walsh	1,338,000	1,337,597	1,206,867	130,730	Canklow Phase 1 is now complete. Please see further detail in the main body of the report.	0	0	0
	TOTAL:	1,338,000	1,337,597	1,206,867	130,730		0	0	0

FUNDING REGIME: HMR Pathfinder

Project Name	Lead officer	2010/11				Reason for Variance / Action Required / Taken	Future Years		
		Annual Spend Target (£)	Quarter 4 Cumulative Approved Spend (£)	Actual spend to 31 March 2011 (£)	Variance (£)		2011/12 Target Spend (£)	2012/13 Target Spend (£)	2013/14 Target Spend (£)
Housing Market Renewal Pathfinder	Paul Walsh	3,704,000	3,704,000	3,707,290	-3,290	Programme is now closed. All funding was received in advance and un-ringfenced. Regional Housing Board funding will be accessed to support remaining commitments in 2011/12 (Bellows Rd and enabling costs)	0	0	0
	TOTAL:	3,704,000	3,704,000	3,707,290	-3,290		0	0	0

FUNDING REGIME: Neighbourhood Renewal Fund - Transitional Funding (NRF TF)

Project Name	Lead officer	2010/11				Reason for Variance / Action Required / Taken	Future Years		
		Annual Spend Target (£)	Quarter 4 Cumulative Approved Spend (£)	Actual spend to 31 March 2011 (£)	Variance (£)		2011/12 Target Spend (£)	2012/13 Target Spend (£)	2013/14 Target Spend (£)
Neighbourhood Renewal Fund - Transitional Funding	Michael Holmes	1,078,988	1,078,988	1,034,901	44,087	There is some slippage on employment/enterprise projects, including All Saints/Minster Gardens, where the bulk of 2010/11 spend has been claimed from Yorkshire Forward in order to maximise external grant.	599,407	0	0
TOTAL:		1,078,988	1,078,988	1,034,901	44,087		599,407	0	

FUNDING REGIME: Regional Housing Programme

Project Name	Lead officer	2010/11				Reason for Variance / Action Required / Taken	Future Years		
		Annual Spend Target (£)	Quarter 4 Cumulative Approved Spend (£)	Actual spend to 31 March 2011 (£)	Variance (£)		2011/12 Target Spend (£)	2012/13 Target Spend (£)	2013/14 Target Spend (£)
Regional Housing Programme	Paul Walsh	2,759,000	2,908,454	1,765,516	1,142,938	All funds carried over to 2011/12 are committed. Detail provided within the body of the report.	0	0	0
	TOTAL:	2,759,000	2,908,454	1,765,516	1,142,938		0	0	0

FUNDING REGIME: SRIP

Project Name	Lead officer	2010/11				Reason for Variance / Action Required / Taken	Future Years		
		Annual Spend Target (£)	Quarter 4 Cumulative Approved Spend (£)	Actual Spend to 31 March 2011 (£)	Variance (£)		2011/12 Target Spend (£)	2012/13 Target Spend (£)	2013/14 Target Spend (£)
EDS - Environment Directorate									
Theme 1: Enabling radical restructuring of the South Yorkshire economic base									
Brookfield Park	Karen Gallagher	51,432	51,432	51,432	0	Total project value £800,506. YF have cut back funding for this project and this is now to be sourced from elsewhere. £11,311 Forestry Commission monies are due in 2013/14.	14,920	0	0
Renaissance Enabling	Simeon Leach	210,000	331,576	331,576	0	Contract ended September 30th 2010.	0	0	0
Townscape Heritage Initiative	Katharine Boyes	650,000	654,221	654,221	0	Total project budget had been £1.430m. The High Street public realm element £580k was removed when YF started to make grant reductions, leaving £850k for the completion of Minster Yard works. Total claimed against this target was £844,444. Project now complete.	0	0	0
Children & Young People's Services									
Theme 3: Achieving a major step change in South Yorkshire's Education, Training and Skills base									
Inspire Rotherham	Adrian Hobson	1,220,000	1,220,000	1,220,000	0	On target.	200,000	0	0
	TOTAL:	2,131,432	2,257,229	2,257,229	0		214,920	0	0

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