

THE CABINET
22nd February, 2012

Present:- Councillor Stone (in the Chair); Councillors Akhtar, Lakin, McNeely, Rushforth, R. S. Russell, Smith and Wyatt.

Also in attendance Councillor Whelbourn (Chairman of the Overview and Scrutiny Management Board)

Apologies for absence were received from Councillors Doyle and Hussain.

C144 QUESTIONS FROM MEMBERS OF THE PUBLIC

There were no questions from members of the public.

C145 GROUNDWORKS TRUSTS PANEL

Councillor Akhtar, Deputy Leader, introduced the minutes of the Groundworks Trusts Panel held on 18th January, 2012.

The important contribution to the regeneration of the Borough and value for money provided by the Trusts was noted

Resolved:- That the minutes of the Groundworks Trusts Panel held on 18th January, 2012 be received and the continued excellent partnership work of both Groundwork Trusts be noted.

C146 CIVIC THEATRE BUILDING WORK PRIORITIES

Councillor Smith, Cabinet Member for Town Centres, Economic Growth and Prosperity, introduced a report by the Strategic Director of Resources, which requested approval to fund and proceed with works at the Civic Theatre. These works were required as a high priority to enable continued use of the building for up to ten years. The budget estimate for these works was £540,000 and it should be noted that prior to any works being ordered a detailed condition survey should be undertaken to enable more accurate estimating to be undertaken.

No funding was currently available to meet the cost of the proposed remedial works. The expenditure could be funded through Prudential Borrowing, however, there was no budget within the Medium Term Financial Strategy to pay for the charges associated with that borrowing, consequently an additional revenue budget allocation would be required. This project, and the sum requested above, had been identified in the Capital Programme report also submitted to Cabinet.

The building would need to close whilst elements of these works took place. This was likely to lead to gaps in the theatre programme and consequent lost revenue causing a budget pressure within the budgets for Environment and Development Services.

All of the estimates were based on non-intrusive surveys carried out eighteen months previously. Further survey work, including for asbestos and a detailed structural survey, was required to confirm the extent of any remedial works required which may affect the estimates provided.

The report provided for works to bring the theatre up to a condition which will give a further ten years of life and any period of operation above the life span of ten years would require further capital investment.

Cabinet Members supported proposals to update this very popular and well used facility at a time of significant economic hardship.

Resolved:- (1) That funding be made available for the works to the Civic Theatre.

(2) That further intrusive survey work be carried out and estimated costs reassessed and a further report submitted if the revised costs are above the sum approved,

(3) That the works be carried out as soon as possible subject to being within funding limits and considering any implications on current service delivery commitments, concentrating on the HIGH priority items.

(4) That a further report be submitted to the Cabinet covering alternatives to support the ongoing delivery and development of theatre provision in Rotherham town centre.

C147 REVENUE BUDGET 2012/13

Councillor Akhtar, Deputy Leader, introduced a report by the Strategic Director of Resources, which proposed a Budget for 2012/13 based on the outcome of the Council's Financial Settlement and provided details of:-

- The progress of the Budget process since July, 2011 (including confirmation of the Local Government Financial Settlement).
- The ongoing principles reflected in the Budget and spending plans.
- The Council's recommended Revenue Budget for 2012/13.
- Savings proposals from Directorates.
- Precepts and levies made on the Council by other authorities.
- Proposed Council Tax levels for the coming financial year.
- Proposed future developments in the three year Medium Term Financial Strategy (MTFS) 2012/13 to 2014/15.

As required by legislation, the report also contained the Strategic Director of Resources' (the Council's Responsible Financial Officer) assessment of the robustness of the estimates included within the Budget and the adequacy of the reserves for which the Budget provided.

From the outset of the 2011/12 Budget process (and into 2012/13) the Council had said that its focus must be on the customers it served, the communities and businesses of Rotherham and not its organisational structure.

To achieve this end, a clear set of principles had been identified for considering Budget proposals. This had, as a first course of action, been to streamline management and administration and to reduce as far as possible back office costs. These were highlighted as a priority by the public in the 'Money Matters' budget consultation. In addition, areas have been identified where better ways of working could result in even greater efficiency and effectiveness. However, faced with such a significant budget deficit, the Council had still to make some tough choices which were reflected in the proposals put forward to Cabinet.

By adopting a calm and measured approach and planning ahead it was possible for the Council to protect services for those most in need. Within the Budget, provision was made to:-

- Ensuring that safeguarding of children was a top priority through the provision of improved services for children in care and with Special Educational Needs,
- Ensuring the safeguarding of vulnerable adults and provide support to vulnerable families and individuals,
- Continuing investment in preventative services and early intervention,
- Reducing the time taken to provide new packages of care and supply equipment, assistive technologies and adaptations to safeguard adults when their life circumstances changed,
- Continuing to promote new business start ups and stimulate the local economy,
- Helping Rotherham Credit Unions continue to provide financial support to residents who were in danger of being made homeless because of the economic downturn.
- Continuing to invest in infrastructure across the Borough – houses, schools, roads, customer services and town centre regeneration.

The Budget, as outlined in the report, would:-

- Protect funding helping to provide vital services for those most in need in communities.
- Continue to reduce management and administration and back office costs as far as possible.
- Enable the Council to continue to focus on service transformation, ensuring services continued to be equipped to deliver a high standard that was fully aligned to the Community Strategy and Corporate Plan priorities and objectives.

The proposals for the 2012/13 Budget and Council Tax contained within the report were put forward having regard to several factors. These were:-

- That the assumptions about the level of resources and reserves available to support the 2012/13 Revenue Budget were sound. The two-year Grant Settlement had again allowed a greater degree of certainty in preparing resource projections for 2012/13.
- That the service plans upon which the Budget was predicated would be actioned by Elected Members and officers, as appropriate, and that this would be done having full and proper regard for the Council's financial position. The prospects for this were good.
- That through the ongoing rigorous programme of reviews, other scrutiny and strategic planning processes the Council would ensure the sustainability of its annual Budget and other financial plans. Again the prospects were good.

This report, therefore, recommended:-

- That Council Tax remain at £1,230.03 at Band D for the third year running (i.e. no increase on the 2010/11 level).
- That the General Fund Revenue Budget for Rotherham Council in 2012/13 be £213.290m.

For information, the following general assumptions with respect to inflation have been provided for within the Budget:-

- A nil % increase in staff pay as the Local Government Employers' organisation was not proposing to offer a pay award for 2012/13.
- A general inflation rate of nil %, and where known in relation to specific items of expenditure, a specific provision for inflation if significantly different. In line with Council policy, it was expected that all such pressures would be contained within Directorate Cash Limit budgets.

Recommended:- (1) That a General Fund Revenue Budget for 2012/13 of £213.290m to be allocated to services, as set out in the report, be approved.

(2) That there be no increase (for a second year running) in the Council Tax in respect of this Council's own Budget giving an annual Band D Council Tax of £1,230.03.

(3) That the comments of the Strategic Director of Resources, provided in compliance with Section 25 of the Local Government Act 2003, as to the robustness of the estimates included in the Budget and the adequacy of reserves for which the Budget provided, be noted and adopted.

(4) That the precept figures from South Yorkshire Police Authority, South Yorkshire Fire and Civil Defence Authority and the various Parish Councils and Parish Meetings of the Borough be incorporated, when known, into the recommendations to the Council on 7th March, 2012.

C148 CAPITAL PROGRAMME MONITORING 2011/12 AND CAPITAL PROGRAMME BUDGET 2012/13 TO 2014/15

Councillor Akhtar, Deputy Leader, introduced a report by the Strategic Director of Resources, which provided details of the current forecast outturn for the 2011/12 programme and enabled the Council to recommend a capital programme for approval for the financial years 2012/13 to 2014/15

Concurrently, the Council had been proactively looking to rationalise its asset and buildings portfolio so as to realise revenue savings and potential capital receipts from any future asset sale. Generally, such capital receipts were expected to be used to reduce future capital financing costs so as to reduce the revenue cost of borrowing.

The Government had recently provided the detailed final and indicative capital funding allocations covered by the period of the programme and the Council's proposed programme fully reflected these allocations.

The report set out in detail the budget process that had led to the recommended capital programme 2012/13 to 2014/15, the revised proposed spends and funding allocations for Directorates.

Any revenue implications from the revised programme have been fully reflected in the Council's latest 2011/12 outturn revenue forecast and its updated Medium Term Financial Strategy.

The Capital Programme was funded through a number of sources borrowing (both supported and unsupported), capital grants and contributions, revenue contributions and capital receipts. Any uncertainty over the funding of the Programme rested on confirmation that grants/contributions and capital receipts continued to be available in coming years. Where funding sources were volatile in nature the risks would be managed by continually keeping the programme under review.

[1] Resolved:- That the report be received and the contents noted.

[2] Recommended:- That the 2012/13 to 2014/15 Capital Programme be approved.

[Councillor Stone declared a personal interest on the basis that he was Chair of Governors at Kilnhurst Primary School]

C149 PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2012/13 TO 2014/15

Councillor Akhtar, Deputy Leader, introduced a report by the Strategic Director of Resources, which detailed how, in accordance with the Prudential Code for Capital Finance, the Secretary of State's Guidance on Local Government Investments, the CIPFA Code of Practice for Treasury Management in Local Authorities and with Council policy, the Strategic Director of Resources was required, prior to the commencement of each financial year, to seek the approval of the Council to:-

- The Prudential Indicators and Limits for 2012/13 to 2014/15.
- A Minimum Revenue Provision (MRP) Statement which set out the Council's policy on Minimum Revenue Provision.
- An Annual Treasury Management Strategy in accordance with the CIPFA Code of Practice on Treasury Management including the Authorised Limit.
- An Investment Strategy in accordance with the CLG investment guidance.

The report set out in detail the background to the Strategy, the view of the currently approved Investment Strategy, Counterparty List, Prudential Indicators and Minimum Revenue Provision Policy.

Treasury Management formed an integral part of the Council's overall financial arrangements.

The assumptions supporting the capital financing budget for 2012/13 and for the future years covered by the Medium Term Financial Strategy of the Council have been reviewed in light of the current economic and financial conditions and the revised future years' capital programme.

The proposed Treasury Management and Investment Strategy was not forecasted to have any further revenue consequences than those identified and planned for in both the Council's 2012/13 Revenue Budget and approved Medium Term Financial Strategy.

The proposed Treasury Management and Investment Strategy sought to minimise the risks inherent in operating a Treasury Management function during these difficult economic and financial conditions.

Operational Treasury Management guidelines would continue to be kept in place and reviewed to ensure they were appropriate given the circumstances faced and supported by regular monitoring to ensure that any risks and uncertainties were addressed at an early stage and hence kept to a minimum.

Recommended:- (1) That the adoption of the updated Treasury Management Code of Practice be approved.

(2) That the prudential indicators and limits for 2012/13 to 2014/15 contained in Appendix A to the report be approved.

(3) That the Minimum Revenue Provision Statement contained in Appendix A which set out the Council's policy on Minimum Revenue Provision be approved.

(4) That the Treasury Management Strategy for 2012/13 to 2014/15 and the Authorised Limit Prudential Indicator (Appendix B) be approved.

(5) That the Investment Strategy for 2012/13 to 2014/15 (Appendix B - Section (e) and Annex B1) be approved.

C150 DINNINGTON SITES - LAND TRANSFER

Further to Minute No. 63 of the meeting of the Cabinet held on 7th September, 2011, Councillor McNeely, Cabinet Member for Safe and Attractive Neighbourhoods, introduced a report by the Strategic Director of Neighbourhoods and Adult Services, which referred to the approval to sell HRA land at East Street, Dinnington to the Council's Registered Provider Partner, Great Places. This was to enable the site to be developed out in partnership with Westleigh Developments as part of a wider residential development, across a number of sites, for affordable and open market housing.

The caveat was noted that changes to the Government funding regime could impact on the level of subsidy that could be achieved on the sites and subsequently the Homes and Communities Agency advised that whilst the scheme was supported as a priority, the total amount of funding bid would not be available. This meant the Council would receive less in terms of the number of dwellings and also there was now a presumption that local authorities would contribute land at nil cost.

As a result, the overall package of development had to be reconsidered and an option appraisal had been carried out to reach a solution to allow the scheme to progress. This was achieved by incorporating an allocation of funding for thirty-six homes from a second Registered Provider partner, Arches Housing, to make up the shortfall. Therefore, an amendment to the previous recommendation was required to allow land transfer to Arches Housing rather than to Great Places and to support negotiation with those partners and Westleigh Developments to achieve the best capital receipt for the affordable and open market plots of land, based on open book valuation of the development as the scheme progressed.

The financial information involved and the risks and uncertainties associated with this transfer were set out in detail as part of the report.

Cabinet Members welcomed this report and the opportunity for the Council to obtain the full benefit.

Resolved:- (1) That Minute No. 63 of the meeting of the Cabinet held on 7th September, 2011 be revoked.

(2) That the freehold disposal of HRA land at East Street, Dinnington to Arches Housing Association, at the discount stated, and on the basis that the Council received all of the benefits detailed in this report be approved.

C151 TRANSPORT POLICY FOR LEARNERS AGED 16-19 YEARS IN FURTHER EDUCATION

Further to Minute No. 143 of the Cabinet held on 8th February, 2012, Councillor Smith, Cabinet Member for Town Centres, Economic Growth and Prosperity, introduced a report by the Strategic Director of Environment and Development Services, which detailed the free transport assistance which was currently provided for Post 16 learners attending Rotherham Special Schools with Post 16 provision.

It was noted that the provision must also be provided for those Post 16 learners with special needs attending other educational establishments both within and outside Rotherham assessed as entitled. Whilst there was a duty to provide transport assistance to those who qualified, there was no requirement to provide this to be free of charge. It was, therefore, proposed to discontinue the current provision of discretionary free transport for Post 16 learners by September, 2012.

For students who have physical and medical difficulties which prevented them accessing public transport it was proposed to continue to provide transport for these students (with due regard to the Equality Act, 2010), following an assessment of need and relevant medical evidence. It was noted that this would be a chargeable service.

Charges would be introduced by September, 2012 because they were attending non-statutory education (i.e. not 5-16 years olds) based on the concessionary rate and distance criteria. Existing means testing benefits would also be used to calculate these contributions to ensure a fair and equitable charge for all families. The proposed charges for eligible learners would range from £1.20 to £2.40 per day.

All new and existing requests for transport assistance would be reviewed and assessed individually from April, 2012, under this new policy, so that learners were able to make an informed choice of their Post 16 provider for September, 2012.

It was not possible to calculate potential savings for this group since they were not identified separately from other groups who were currently entitled to a free service.

Unless a new Post 16 Policy was published by the Local Authority by April, 2012 the changes could not be implemented in preparation for those learners who were due to attend further education provision in September, 2012.

This Policy could not state that no transport assistance was available and any support that was provided should be equitable between educational providers.

There have been major changes to the way that Post 16 learners were funded such as the 16-18 Bursary Scheme and increases in Learner Support Fund grants to schools and colleges.

Cabinet Members acknowledged the sensitivity of this Transport Policy, but stressed that each case would be assessed on its own merits.

Resolved:- (1) That the new Transport Policy for learners aged 16-19 years in further education for 2012-13 be approved.

(2) That the new policy be implemented from April, 2012 in order to meet statutory obligations.

C152 WINTER WEATHER REVIEW

Councillor Gosling, Chairman of the Scrutiny Review Group, accompanied by Group Member, Councillors Ellis, introduced the Scrutiny Review of Winter Weather, which referred to the winter of 2010/11 which was one of the harshest experienced across the United Kingdom in over thirty years. The freezing temperatures and significant snowfalls from 30th November, 2010 to 15th December, 2010 impacted on the entire country. In Rotherham, the road network came to a standstill under the sheer volume of snowfall, the majority of schools were closed and Council and local health services were impacted by the severe weather.

The review was commissioned by the former Performance and Scrutiny Overview Committee and undertaken jointly by two of its former Scrutiny Panels - Sustainable Communities and Regeneration and commenced in February, 2011.

The review was completed in November, 2011 and a first draft signed off by the review group in early December. The Overview and Scrutiny Management Board received a briefing on the main issues arising on 16th December, 2011, with the full report being presented at its meeting on 10th February, 2012.

An overview of the challenges faced by all service sectors was set out in the report and in particular, the Group wanted to look at the robustness of the Council's Emergency Planning process and other business continuity plans in place to tackle the impact of severe weather conditions on essential services. The review also looked at how plans and arrangements linked to partners and local communities. Members set out to establish areas of good practice and lessons that could be learnt from the experience, what worked well, what did not work so well and what the obstacles were.

Members have taken into account the useful evaluation and recommendations arising from the post incident report for the A57 incident, whilst focus of this review was on the broader impact of the extreme snow conditions across the Borough.

The review group wish to ensure that all Members were informed of the full range of issues arising in relation to severe winter weather and what lessons could be learnt for future with regard to business continuity in similar circumstances.

This report acknowledges how public service providers, businesses and communities worked together to keep Rotherham Borough moving, despite the challenging weather conditions.

The production of the report was financed from the Scrutiny budget, although the recommendations of the review would have financial implications subject to the consideration of the Cabinet.

Severe weather sat fifth on the National Risk Register as one of the nations most feared risks. In line with the recommendations of this review, the Council should seek to reduce local risks from adverse weather by strengthening the links between the emergency planning arrangements and business/service continuity.

After the severe snow in December, 2010, the Secretary of State for Transport sought advice from HM Government's Chief Scientific Advisor on the probability of severe winter weather over the next twenty to thirty years.

The advice indicated "consistent with historical records, climate model projections typically show large fluctuations between consecutive winters. The occurrence of one or two cold winters is therefore not necessarily a good indicator of a further cold winter."

It also advised that gradual warming was predicted by climate models as greenhouse gases increased. However, natural annual variability was expected to dominate the warming signal for at least the next decade or two. The outlook, therefore, remained variable and difficult to predict over the forthcoming twenty to thirty years.

The risks for road users in heavy snowfalls included low temperatures leading to an increased risk of ice and road blockage in severe snowfalls. The risk to the Council was twofold; firstly, the ability of gritters to keep the network clear and passable given that even after treating with salt, road conditions may still be challenging and secondly, the potential for vehicles to become stranded presenting a wider risk for all emergency, road clearance and care services.

Other risks associated with this type of severe weather related to the increase in demand for GP, Hospital and Ambulance Services due to a spike in respiratory conditions and fracture injuries caused by falling. These services review plans on an annual basis to continually improve the management of high demand for service relating to severe weather.

Finally, there were risks associated with levels of community resilience being too low to cope effectively with adverse weather. The recommendations of this review highlighted the need to further develop emergency planning and community resilience arrangements with Parish Councils, Area Assemblies and voluntary community groups.

Resolved:- (1) That the Scrutiny Review into Winter Weather and its recommendations be noted and a response be submitted within two months as outlined within the Council's Constitution.

(2) That the decision of Cabinet on the report, recommendations and proposed action be reported back to the Overview and Scrutiny Management Board in due course.

(3) That everyone involved in this review be thanked for their input.

C153 EXCLUSION OF THE PRESS AND PUBLIC

Resolved, that under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 4 of Part 1 of Schedule 12A to the Local Government Act (as amended March, 2006 (information relates to labour relations matters).

C154 ROTHERHAM READY 'ARE YOU READY'

Councillor Rushforth, Cabinet Member for Lifelong Learning and Culture, introduced a report by the Strategic Director of Children and Young People's Services, which provided details on Rotherham Ready as being the town's award winning enterprise education programme.

The Cabinet was asked to support a request to facilitate this project being delivered through Voluntary Action Rotherham with a view to potentially becoming a social enterprise arrangement.

Initially it was intended that staff be seconded into this arrangement and that this would facilitate access to funding streams otherwise unavailable through the Council.

The financial information and risks and uncertainties associated with this education programme were set out in detail as part of the report.

Resolved:- That the proposed two secondments into this social enterprise be approved.