

ROTHERHAM BOROUGH COUNCIL

COUNCIL SUMMONS

Notice is hereby given that a meeting of the Council of the Borough of Rotherham will be held at the Town Hall, Moorgate Street, Rotherham, on Wednesday, 6th March, 2013 at 2.00 p.m.

A G E N D A

1. To submit for approval the minutes of the Council Meeting held on 30th January, 2012 - Pages 35A to 41A (Section A)
2. To consider any communication received by the Mayor or the Chief Executive and to pass a resolution or resolutions thereon.
3. To consider any questions from the Public.
4. To receive a report from the Leader and to consider reports, minutes and recommendations of the Cabinet - Pages 80C to 100C (Section C) including the following recommendations to Council:-
 - Sheffield City Region Combined Authority (Minute No. C138) (Page 81C)
 - Revenue Budget and Council Tax Setting (Minute No. C155) (Pages 92-95C)
 - Capital Programme Budget 2013/14 to 2015/15 (Minute No. C156) (Pages 95-96)
 - Treasury Management Strategy & Prudential Indicators 2013/14 (Minute No. 157) (Pages 96-97)
5. To consider the following reports of meetings of Cabinet Members:-
 - Children, Young People and Families Services – Pages 45D to 51D (Section D)
 - Communities and Cohesion – Pages 19E to 23E (Section E)
 - Culture and Tourism – Pages 24F to 30F (Section F)
 - Regeneration and Development – Pages 55G to 61G (Section G)
 - Adult Social Care – Pages 46H to 53H (Section H)
 - Safe and Attractive Neighbourhoods – Pages 46J to 53J (Section J)

Health and Wellbeing – Pages 30K to 32K (Section K)

Waste and Emergency Planning– Pages 46L to 53L (Section L)

Deputy Leader - Pages 35N to 41N (Section N)

6. To receive and consider reports, minutes and recommendations of the Audit Committee - Pages 34P to 37P (Section P)
7. To receive and consider reports, minutes and recommendations of the Licensing Board - Pages 22Q to 24Q (Section Q)
8. To receive and consider reports, minutes and recommendations of the Health and Wellbeing Board - Pages 38S to 44S (Section S)
9. To receive and consider reports, minutes and recommendations of the Planning Board - Pages 91T to 94T (Section T)
10. To receive and consider reports, minutes and recommendations of the Staffing Committee - Pages 1V to 2V (Section V)
11. To put questions, if any, to Cabinet Members and Chairmen (or their representatives) under Standing Order No. 7(1) and 7(3).
12. To put questions, if any, to the designated Members on the discharge of functions of the Police and Crime Panel, South Yorkshire Fire and Rescue Authority, South Yorkshire Integrated Transport Authority and South Yorkshire Pensions Authority, in accordance with Standing Order No. 7(5).
13. Sheffield City Region Combined Authority (Pages 1 - 14)
14. Council Tax Setting 2013/14 (Pages 15 - 24)
15. To determine any item which the Mayor is of the opinion should be considered as a matter of urgency

J. COLLINS

Director of Legal & Democratic Services

26th February, 2013.

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Council
2.	Date:	6th March 2013
3.	Title:	Sheffield City Region Combined Authority
4.	Programme Area:	Resources

5. Summary

The report provides a brief overview of the rationale behind and process for establishing a Sheffield city region combined authority (“Sheffield City Region Authority” or “SCR Authority”) and summarises the body’s proposed remit, which is detailed further in the appended *scheme* document.

6. Recommendations

That Council:

- **Note the progress to date and next steps in establishing a combined authority for Sheffield city region**
- **Confirm the decision of Cabinet, from their meeting on 6th February, that RMBC should become a member of the combined authority.**

7. Proposals and Details

Background

The nine local authorities that comprise the Sheffield city region (SCR) have a long history of collaboration at a scale that reflects the natural economic geography of the region. Most recently, this collaboration has taken the form of the SCR Local Enterprise Partnership (SCR LEP) and SCR Leaders' Group.

The benefits of this collaboration can now be seen in, for example, the SCR securing an advanced manufacturing and technology focused enterprise zone (only one of seven with business rate relief and enhanced capital allowances), successfully negotiating a *city region deal* and securing £25 million from round three of the Regional Growth Fund (RGF).

Following a comprehensive governance review, SCR leaders concluded that it was time to take SCR governance from informal collaboration to joint decision making on some issues: "to put into legislation that which we [the SCR] have been doing by consent for some time".

In practical terms, this means establishing a SCR combined authority (referred to as *SCR Authority*). The term "combined authority" refers to the bringing together of two statutory bodies – an integrated transport authority (ITA) and an economic prosperity board (EPB) in order to align political decision making around strategic economic development and transport. A combined authority does not relate to a merger or takeover of local authorities or local authority departments.

The governance review identified three key reasons for establishing the SCR Authority:

- **To give the city region access to devolved powers and funding now and in the future** – forming the SCR Authority enables the city region to access around £10 million per annum of devolved transport funding as part of the city region deal. A combined authority will have the potential to draw down further funding and powers as part of devolution deals with government.
- **To align decision making in relation to strategic economic development and transport** – in practical terms, this means ensuring that transport schemes enable local residents to access employment opportunities.
- **To put in place strong, stable and accountable leadership recognised by government** – nine elected leaders will come together to make decisions of city region significance.

What this boils down to is formal collaboration that enables elected members (working in partnership with the LEP) to have greater control over functions and funding that would otherwise be managed from Whitehall e.g. devolved major scheme transport funding.

Remit

It is proposed that the SCR Authority will have jurisdiction over a small number of strategic issues in relation to economic development and transport. This is likely to include:

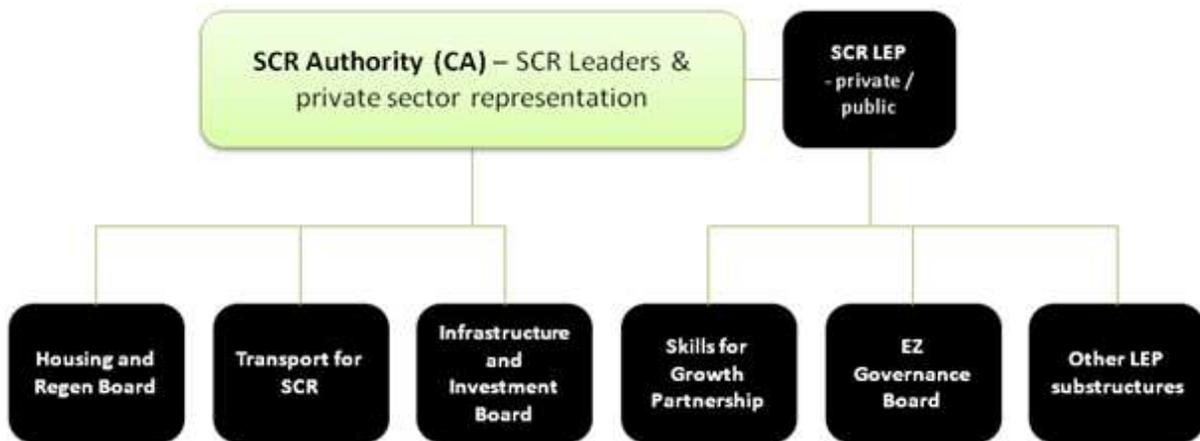
- Setting city region economic strategies
- Setting the investment strategy and making decisions for the Sheffield city region investment fund
- Making decisions in relation to the uplift from enterprise zone business rates
- Setting the Sheffield city region growth strategy
- Coordinating inward investment activity.

It is important to emphasise that no local authority powers will be handed over to the SCR Authority.

The details of how the SCR Authority will operate are set out in the *scheme* (see appendix for latest draft). There are a few important details to draw out from this document:

- The SCR Authority will consist only of elected members drawn from the nine local authorities of Sheffield city region (i.e. excluding the county councils).
- The South Yorkshire local authorities will be the “constituent” councils and will have one vote each, as well as providing a total of two additional (rotating) non voting members. Voting rights are likely to be extended to the non-constituent members (i.e. the non-SY SCR councils) once the authority is formally established.
- As far as possible, the SCR Authority will reflect the full geography of the SCR. However, due to legislative restrictions, there are some functions which (for legal / practical reasons) must continue to operate on a South Yorkshire basis (e.g. the two county councils will continue to be the transport authorities for the non-SY districts).
- Matters of the SCR Authority will be decided by a simple majority vote. Some matters (e.g. the ITA levy) will be determined only by South Yorkshire members of the authority.
- No powers will be transferred to the combined authority – powers will only be shared.
- Only the transport sub-committee will have powers formally delegated from the SCR Authority. All other sub-boards will act in an advisory capacity (including the LEP).

The proposed structure of SCR-level decision making with the SCR Authority in place is summarised in the diagram below:



Timetable / Next Steps

- Formal decision making via elected members – February/March 2013
- Submit scheme to government and move to shadow arrangements – April 2013
- DCLG consultation period on scheme – April-June 2013
- Scheme amended, as required, following consultation – July 2013
- Order laid in parliament – November 2013
- SCR Authority comes into effect – April 2014

8. Finance

The issue of support arrangements and associated costs for the combined authority, including the contribution required from local authorities, is still to be resolved.

With regard to support for the transport functions and the role of SYPTE, relevant recommendations from the South Yorkshire resource review will need to be considered.

9. Risks and Uncertainties

The governance review has identified the need to establish a combined authority to take city region collaboration to the “next stage” and maximise opportunities to take on devolved powers and funding from central government.

There are uncertainties in relation to exactly how the new authority will operate, including its relationship with other bodies, such as the LEP, and the extent to which it will seek to exercise powers relating to strategic economic development.

The scheme is designed in such a way as to provide a basic operating framework, as required by legislation, but to retain sufficient flexibility for the authority to respond to the requirements of members and stakeholders as it moves from shadow arrangements to a fully fledged body.

No powers will be transferred to the SCR Authority from individual councils.

10. Policy and Performance Agenda Implications

The purpose of the combined authority will be to improve the exercise of statutory functions in relation to economic development, regeneration and transport in the Sheffield city region, leading to an enhancement of the region's economic conditions and performance.

This should complement local activity that aims to promote economic growth and ensure people have opportunities to improve their skills and find employment.

11. Background Papers and Consultation

Consultation has taken place with members and officers over the last six months, coordinated by the city region team.

The latest draft of the scheme document is appended to this report and the governance review document is available on request.

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Part 2

Scheme for the establishment of a Sheffield City Region Combined Authority

DRAFT – January 2013

Section 1 – Intention to establish Sheffield City Region Combined Authority

1. Establishment of Authority

- 1.1. A Combined Authority (“SCR Authority”) shall be established pursuant to Section 103 of the Local Democracy, Economic Development and Construction Act 2009 (“LDEDCA”).

2. Dissolution of South Yorkshire Integrated Transport Authority (SYITA)

- 2.1. The South Yorkshire Integrated Transport Authority (‘SYITA’) shall be dissolved, pursuant to Section 91 of the Local Transport Act 2008 (‘LTA2008’).

3. Name of Authority

- 3.1. The name of the SCR Authority shall be the *Sheffield City Region Authority*.

4. Membership of Authority

- 4.1. Membership of the SCR Authority will be drawn from the constituent and non-constituent councils listed below:-

- Barnsley Metropolitan Borough Council
- Doncaster Metropolitan Borough Council
- Rotherham Metropolitan Borough Council
- Sheffield City Council.

(“constituent councils”)

- Bassetlaw District Council
- Bolsover District Council
- Chesterfield Borough Council
- North East Derbyshire District Council
- Derbyshire Dales Districts Council

(‘non-constituent councils’)

5. Area of Authority

- 5.1. The SCR Authority area shall be the whole of the following four local government areas:
- Barnsley Metropolitan Borough Council
 - Doncaster Metropolitan Borough Council
 - Rotherham Metropolitan Borough Council
 - Sheffield City Council.
- 5.2. The constituent councils will appoint six elected members¹ to the SCR Authority. to the SCR Authority. Each constituent council will appoint one member. In addition, each year, by equal rotation, two of the constituent councils will each appoint a second member, such second member appointment to be for a one year term.²
- 5.3. The Executive of each non-constituent council will appoint one elected member each to the SCR Authority.
- 5.4. Membership of the SCR Authority will be a decision of the Executive of each council.³
- 5.5. To maintain the status of the SCR Authority being a “Leaders’ Board” – there will be a protocol that each constituent and non-constituent council appoint its Leader or elected Mayor to the SCR Authority. In addition to this, there will be a protocol that the two additional second member constituent council appointments will be non-voting members and will not regularly attend meetings of the SCR Authority (see section 10.7 below and *footnote 1*).
- 5.6. The Executive of each constituent and non-constituent council shall each appoint another of its elected members to act as a member of the SCR Authority in the absence of the elected member appointed under paragraph 5.2 and 5.3 above (“substitute member”). This elected member must be drawn from the cabinet of that council.⁴
- 5.7. The Executive of a constituent or non-constituent council may at any time terminate the appointment of a member or substitute member appointed by it to the SCR Authority. Appointment and reappointment of a new member will be an executive decision of each constituent and non-constituent Council.⁵
- 5.8. Where a member or substitute member of the SCR Authority ceases (for whatever reason) to be an elected member of the council that appointed them, the elected

¹ Note: it is a requirement of LDEDCA that the majority of members are drawn from the constituent authorities of the CA.

² Note: to be determined how the rotation of appointing 2 members will operate. Examples, the CA could determine at its first meeting, or the face of the Order could specify.

³ This assumes the council is operating executive arrangements.

⁴ This assumes the council is operating executive arrangements.

⁵ This assumes the council is operating executive arrangements.

member shall cease to be a member of the SCR Authority, and the Executive of the relevant council shall appoint a replacement member as soon as practicable.

- 5.9. The SCR Authority shall, in each year, appoint a Chair (and Vice-Chair(s)) from among its members. The appointments shall be the first business transacted at the first meeting of the SCR Authority.
- 5.10. No remuneration shall be payable by the SCR Authority to its members (other than allowances for travel and subsistence).
- 5.11. The SCR Authority may co-opt additional, non-voting representatives from, for example, from the SCR Local Enterprise Partnership Board.⁶

6. Voting

- 6.1. The constituent council members of the SCR Authority shall have one vote each.
- 6.2. The Chair of the SCR Authority shall not have a second or casting vote. Subject to the provisions of any enactment, all questions coming or arising before the SCR Authority shall be decided by a simple majority of the members of the SCR Authority present and voting.
- 6.3. In the case of a tied vote or any motion or amendment, the reasons for the failure to agree will be passed to SCR Chief Executives Group who can then work with their officers to identify if the issues can be resolved before being reconsidered, and voted upon, at the SCR Authority. Should a second vote remain tied, then the motion shall be deemed to be lost.
- 6.4. Members from the non-constituent councils will, in accordance with section 85(4) LTA2008, be non-voting members of the SCR Authority. The constituent council members may, in accordance with section 85(5) LTA2008, resolve to extend the voting rights on defined matters to all or any of the non-constituent council members.⁷

7. Executive Arrangements

- 7.1. Executive arrangements (within the meaning of the Local Government Act 2000) shall not apply to the SCR Authority. However, the discharge of the functions of the SCR Authority will be subject to the scrutiny arrangements set out in section 9 below.

⁶ Note: such representation will always be non-voting as such representatives are not members. This is also the mechanism by which County Councils may be represented in the future.

⁷ Note: it is considered that one manner of doing this would be to resolve at the beginning of any meeting of the CA those matters that the non-constituent council members may vote upon. It is the intention of the constituent members to extend voting rights to the all non-constituent members with the exception of Derbyshire Dales District Council (who have chosen to be non-voting members of the SCR Authority).

8. Transport for Sheffield City Region

- 8.1. The SCR Authority shall have an operational transport body, 'Transport for Sheffield City Region Executive' (TfSCRE), to exercise its operational transport functions. TfSCRE shall have all the functions necessary for it to discharge such functions on behalf of the SCR Authority.

9. Scrutiny Arrangements

- 9.1. The nine local authorities of the Sheffield City Region will establish a joint overview and scrutiny committee to exercise scrutiny functions over the SCR Authority (including, where appropriate, the SCR Authority's sub-boards). Each constituent and non-constituent local authority will appoint one elected member to the joint overview and scrutiny committee.⁸

Section 2 – Functions, powers and duties of the CA

10. The function of the SCR Authority

- 10.1. The purpose of the SCR Authority is to improve the exercise of statutory functions in relation to economic development, regeneration and transport in the SCR leading to an enhancement of the economic conditions and performance of the SCR.
- 10.2. The SCR Authority will have powers in relation to *Strategic Economic Development*. Unless otherwise stated, these powers will be exercised by the SCR Authority on a concurrent basis i.e. no powers have been "ceded" to the SCR Authority from its members. Strategic Economic Development means functions such as:
- Setting City Region Economic Strategies
 - Setting the investment strategy for the Sheffield City Region Investment Fund
 - Making decisions with regard to the Sheffield City Region Investment Fund
 - Making decision in relation to the uplift from Enterprise Zone business rates
 - Setting the SCR for Growth Strategy
 - Coordinated inward investment activity.
- 10.3. The SCR Authority will have the benefit of well being powers which are specifically reserved to Combined Authorities by the LDEDCA 2009 together with a range of

⁸ Note: the scope and remit of any such joint committee to be determined by the nine SCR councils.

incidental powers. These are equivalent to the former powers of well being provided to local authorities which have now been replaced with the General Power of Competence by the Localism Act 2011. These will provide broad powers to address economic development issues.

- 10.4. There may be further advantages in also securing the use of the General Power of Competence for the SCR Authority to provide for maximum flexibility in being able to deal with economic development and regeneration issues. Accordingly, the SCR Authority requests that the Secretary of State exercises his powers under section 87 of the Local Transport Act 2008 so as to provide that the Authority has been delegated the General Power of Competence under section 1 of the Localism Act 2011.
- 10.5. The transport functions of SYITA will be transferred to the SCR Authority. All functions conferred or imposed on the SYITA by any enactment relating to the functions of SYPTE shall be exercisable by the SCR Authority in relation to its executive body (TfSCR).
- 10.6. The SCR Authority shall exercise any function of the Secretary of State delegated to the SCR Authority by the order of the Secretary of State pursuant to Section 86 LTA2008 and Section 104(1)(b), LDEDCA. Such functions shall be exercised subject to any condition imposed by the order.
- 10.7. In addition to the above, the SCR Authority will have the following specific powers exercisable concurrently with the constituent and non-constituent councils. These are viewed as complementary to the broader powers to address economic development identified above:
 - The power under section 144 of the Local Government Act 1972 (the power to encourage visitors and provide conference and other facilities).
 - The duties under sections 15ZA, 15ZB, 15ZC, 17A, 18A(1)(b), of the Education Act 1996 and the power under sections 514A and 560A of that Act (duties and powers related to the provision of education and training for persons over compulsory school age).
 - The duty under section 4(1) of the Local Government Act 2000 (duty to prepare a strategy for promoting or improving the economic, social and environmental well-being of their area and contributing to the achievement of sustainable development in the United Kingdom) and the power under section 4(2) of the Local Government Act 2000 (power to modify their sustainable communities strategy).
 - The General Power of Competence under section 1 of the Localism Act 2011.
- 10.8. These powers will be supplemented by operating “protocols” agreed locally by the SCR Authority and councils. These protocols will include:

- That members of the SCR Authority (i.e. constituent and non-constituent councils) will not act in a way that directly contradicts a decision made by the SCR Authority.
- That the two additional members drawn from South Yorkshire members on a rotating basis (described at 5.2) will be non-voting members and will not routinely attend meetings of the SCR Authority.
- That the member appointed by each local authority to the SCR Authority will be the Leader or Mayor of that council.

10.9. As detailed in the Governance Review document – the constituent and non-constituent councils of the SCR Authority may, in time, choose to delegate additional powers by virtue of Section 101 of the Local Government Act 1972. These will be executive functions given the remit of the SCR Authority and it will therefore be a decision for the Executive to delegate any further powers to the SCR Authority.

10.10. The SCR Authority will not have any specific planning-related powers. However, using general economic development powers, the SCR Authority may agree a SCR spatial strategy – which may be relevant to local planning frameworks.

Section 3 – Funding and transfer of property, rights and liabilities

11. Funding

- 11.1. The SCR Authority, as a levying body under Section 74 of the Local Government Finance Act 1988, shall have the power to issue a levy to its constituent councils in respect of the expenses and liabilities of the SCR Authority which are reasonably attributable to the exercise of its functions relating to transport. The amount to be raised by the levy shall be apportioned between the representative authorities on a per capita basis.
- 11.2. The levy shall be in ten equal instalments payable monthly by the end of the first ten months in the financial year.
- 11.3. The costs of the CA that are reasonably attributable to the exercise of its functions relating to economic development and regeneration (and any start up costs) shall be met by the constituent and non-constituent councils. Such costs shall be apportioned between the nine councils on a per capita basis. The CA will agree an annual budget for the purpose of this expenditure.⁹

12. Transfer of Property, Rights and Liabilities

- 12.1. All property, rights and liabilities of SYITA existing at the transfer date shall transfer to the CA, including rights and liabilities (if any) in relation to contracts of employment.

⁹ Note: funding to be considered.

Section 4 – Substructures and internal scheme of delegation

13. Joint Committee – Transport for SCR Board

- 13.1. The CA and the constituent councils will enter into joint arrangements under Section 101(5) of the Local Government Act 1972, Section 20 of the Local Government Act 2000 and Regulations 4, 11 and 12 of the Local Authorities (Arrangements for Discharge of Functions) (England) Regulations 2000 for the discharge of specified transport functions which will include the establishment of a joint committee to be called the Transport for SCR Board ('TfSCRB').

14. SCR Local Enterprise Partnership

- 14.1. The Sheffield City Region has a strong LEP Board that brings together elected leaders with representatives from the private sector. Such a board is seen as critical for the promotion and facilitation of economic growth in the city region.
- 14.2. This board (or its successors as required by Government) will work alongside the SCR Authority, as well as discharging the practical decision making role in respect of certain functions as required by Government and/or the SCR Authority. The SCR Authority would act as the LEP's 'accountable body' for the holding of LEP funding streams.
- 14.3. It is intended that the SCR Local Enterprise Partnership would be a lead advisory body to the SCR Authority – including providing leadership of particular SCR projects and workstreams. This will "hardwire" a role for the private sector into the leadership of the Sheffield City Region – something that makes the SCR distinctive and unique.

15. Other Arrangements

- 15.1. The SCR Authority may establish sub-structures and sub-committees and delegate powers and functions as is appropriate.

1)	Meeting:	Council
2)	Date:	6th March 2013
3)	Title:	Setting the Council Tax for 2013/14
4)	Directorate:	Resources

5. Summary

This report sets out details of the calculation of the Council Tax for Rotherham’s parished and unparished areas for the financial year 2013/14, and includes both the Police and Fire and Rescue Authority Precepts.

6 Recommendations

That Council approve this report and the formal Council Tax Resolution in Appendix A and in doing so:

- **Approve a Net Revenue Budget for the Council in 2013/14 of £221.474m, which after receipt of Central Government Grants and use of the Collection Fund leaves £78.269m to be funded;**
- **Calculates, in accordance with Section 31A(4) of the Act, £80,407,216.74 as its Council Tax requirement for the year (Item R in the formula in section 31B of the Act);**
- **Approve the calculation of the amounts set out in section 3 of Appendix A for the year 2013/14 in accordance with Sections 31B to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011;**
- **Note that the major precepting Authorities (the South Yorkshire Police and Crime Commissioner and the South Yorkshire Fire and Rescue Authority) have stated the following amounts respectively in Precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 (as amended by the Localism Act 2011) – South Yorkshire Police and Crime Commissioner a Band D Tax of £142.55 and South Yorkshire Fire and Rescue Authority a Band D Tax of £63.78;**
- **Note that the Town and Parish Council Precepts for 2013/14 detailed in Appendix C total £2,138,636.74. The increase (+1.1%) in the Average Band D Council Tax for Town and Parish Councils results in an average Band D Council Tax figure of £1,263.6397;**
- **Resolve that the Council sets the amounts presented in section 5 of Appendix A (unparished areas) and Appendix B (including parished areas) as its Aggregate Council Tax Requirement (including South Yorkshire Police and Crime Commissioner and Fire and Rescue Authority Precepts) for the year 2013/14; and**
- **Determines, that, in accordance with the principles determined by the Secretary of State and set out in the Referendums Relating to Council Tax Increases (Principles) (England) Report 2013/14, that Rotherham Metropolitan Borough Council’s relevant basic amount of Council Tax for the year 2013/14 is not excessive.**

Background

- 7.1 Members have previously considered the proposed 2013/14 Budget at a meeting of the Cabinet on 20th February 2013 and the Council Tax Base for parished and unparished areas was agreed at the Cabinet meeting held on 30th January 2013. Since 2012/13 the Localism Act 2011 has required Billing Authorities like the Council to calculate a **“Council Tax Requirement”** for the financial year 2013/14 – this is Gross Expenditure less Gross Income – the excess of expenditure over income being the Council Tax Requirement. The deadline for the Council to determine its Council Tax remains 10th March 2013 and the Council must set Council Tax levels for both the parished and unparished areas of the Borough for each Council Tax Band A to H, taking into account the Precepts from both the South Yorkshire Police and Crime Commissioner and the South Yorkshire Fire and Rescue Authority.
- 7.2 In addition to determining their Council Tax requirement, authorities are required to seek the approval of their local electorate if they set Council Tax increases in excess of the principles set out by the Secretary of State and approved by Parliament. In the Council’s case this means a Council Tax increase for 2013/14 of more than 2.0% in the Council’s relevant basic amount of Council Tax, a notional figure, excluding Parish Precepts and Levies and Special Levies issued to the authority. The Council’s proposed Council Tax **does not exceed those principles** and paragraph 6 of the tax setting resolution attached at Appendix A addresses this issue.
- 7.3 The South Yorkshire Police and Crime Commissioner and Fire and Rescue Authority are also subject to the requirement to hold a referendum but, at present, local precepting authorities such as Town and Parish Councils are excluded, although their status may be subject to review for 2014/15 onwards.
- 7.4 **Council Tax Base** – for 2013/14 there has been a major change in the way the Council Tax Base is calculated as a result of changes in the treatment of Council Tax Benefits. With the introduction of the local Council Tax Reduction Scheme these benefits will be converted to Council Tax discounts (like that awarded to single persons) which have reduced the Council Tax Base. As a result, in 2013/14 the Council has for the first time had to include estimates of the numbers of benefit claimants and the value of the benefits they will receive in calculating its Tax Base.
- 7.5 There have been some other changes in the tax base; as is usual the Tax Base includes estimates of changes affecting it during the year (for example new build properties). In addition, the Council has decided to take advantage of technical changes in Council Tax Regulations by reviewing the discretionary discounts and exemptions awarded to empty properties and second homes. These changes have allowed the Council to reduce the discounts awarded and in some cases charge tax premiums. The properties affected by the technical changes are spread across the borough and the estimated impact of these changes has been fed into the Council Tax Base for both the Council and Parishes.
- 7.6 In spite of the new properties and increased charges for empty properties, the Council’s 2013/14 tax base is 16.2% less than in 2012/13. To compensate for this reduction in the Tax Base, the Council received Council Tax Support Funding of £17.51m as part of the 2013/14 Local Government Finance

Settlement. The Council's funding allocation included resources to mitigate the impact on Parish Councils, and resources will be distributed to Parishes in line with the number and value of claims in a parish area. The Police and Fire and Rescue Authority will receive Council Tax Support directly. The Government has also provided a Transitional Grant to support the introduction of local Council Tax Reduction Schemes. As the Council's Scheme has been designed to protect vulnerable groups the Council is able to take up the Government's Transitional Grant Support Scheme (£0.468m) and has applied for the grant.

- 7.7 **Council Tax Freeze Grant** – for 2013/14 a further Council Tax Freeze grant equivalent to 1% of Tax income. Rotherham's estimated allocation of £0.938m has been taken into account in determining the Council's Net Revenue Budget in the Council Tax Requirement calculations.
- 7.8 **Government Funding** – In the past Councils received Formula Grant composed of Revenue Support Grant (RSG) and a share of the national Business Rates Pool. The level of grant was determined by an assessment of the Council's relative needs and was determined using a range of data including population. From 2013/14 a new resource regime has been created reflecting the introduction of the Council Tax Reduction Scheme and the Localisation of Business Rates. Under the new regime, the Council will receive a Start up Funding Assessment, which still takes account of relative needs in the same way in previous years. Several funding streams, which in the past were covered by separate grants (such as Council Tax Freeze Grant, Early Intervention Funding and Learning Disability and Health Reform Grant), have been merged within the above Funding Assessment. The Funding Assessment also includes Council Tax Support Funding to replace Council Tax Benefit. In addition, from 2013/14 the Council will retain just under half (49%) of the Business Rates it collects – 50% will be passed to Central Government and the remaining 1% is passed to the South Yorkshire Fire and Rescue Authority.

This funding is set out in the table below:

	£'000
Revenue Support Grant (RSG)	84,302
Baseline Funding Level (Retained Business Rates)	34,304
Baseline Funding Level - Top up grant	21,780
Total - Formula Grant for 2013/14	140,386

- 7.9 It is now necessary to agree the Council's Net Revenue Budget of **£221,474,000** for 2013/14 after allowing for Specific Grants and other Income which will be financed as follows:-

	£
Formula Funding	140,386,100
Estimated 2013/14 Council Tax Freeze Grant	938,000
CTRS Transitional Grant	468,000
Collection Fund Surplus	1,413,320
Which will leave	78,268,580

To be raised from Council Tax
(which equates to a freeze in the Council Tax levied as at 2012/13 allowing the Council to qualify for the Government's Council Tax Freeze grant for 2013/14)

7.10 The Council has received details of the precepts for the Police and Crime Commissioner and Fire and Rescue Authority and also the Precepts from the Borough's Parish Councils and Parish Meetings. Accordingly, Members are asked to approve the financing of the Council's Budget (as reported in section 7.9 of this report) and to pass a resolution as set out at Appendix A.

7.11 If this resolution is approved the total Band D Council Tax will be as follows:

	2012/13 £	2013/14 £	% Change
Rotherham MBC	<u>1,230.03</u>	<u>1230.03</u>	<u>0.00%</u>
South Yorkshire Police and Crime Commissioner	137.55	142.55	3.64%
South Yorkshire Fire and Rescue Authority	62.54	63.78	1.98%
Sub Total	1,430.12	1,436.36	0.44%
Parish Council and Parish Meeting (Average)	56.17	56.79	1.10%

The above figures show that Council Tax payable in the Borough will increase by 0.44% in 2013/14 as a result of increases in the Police and Fire and Rescue precepts of 3.64% and 1.98% respectively. On average Parish precepts have increased slightly (+1.10%).

8 Finance

There are no direct costs arising from this report, however the Council Tax represents a significant element of the Council's resources for the coming financial year.

9 Risks and Uncertainties

Although all budgets involve risks, the Council's budget process has been reviewed and redesigned to minimise the incidence and impact of any budget risks. However, from April 2013 the Localisation of Business Rates and the introduction of the Council Tax Reduction Scheme both transfer significant financial risks from Central Government to a local authority and could put pressure on collection rates which will have a direct impact on future resources available to the Council. In Rotherham we have a strong track record of collecting both business rates and council tax income and it is considered that the collection level assumptions included in setting this budget adequately reflect this increase in risk.

10. Policy and Performance Agenda Implications

The setting of the Council Tax as a significant part of the Council's resources is essential in underpinning all parts of the Council's activities.

11. Background Papers and Consultation

- Local Government Finance Act 1992 as amended by the Localism Act 2011
- Localism Act 2011
- Local Government Finance Act 2012
- Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012
- Section 84 of the Local Government Act 2003
- Council Tax Base Report - January 2013.
- The Localism Act 2011 (Commencement No.1 and Transitional Provisions) Order 2011
- The Council Tax (Demand Notices) (England) Regulations 2011.
- The Council Tax (Demand Notices) (England) Amendment Regulations 2012
- DCLG Council Tax Referendums 2013/14 Information Note
- Proposed Revenue Budget and Council Tax - Report to Cabinet on 20th February 2013.
- South Yorkshire Fire and Rescue Authority Precept Notification letter 15th February 2012
- South Yorkshire Police and Crime Commissioner Precept Notification letter 21st February 2013
- CIPFA – Draft Model Resolution for Council Tax Setting – January 2012

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The Council is recommended to resolve as follows:

1. It be noted that at its meeting on 30th January 2013 (minute A72) the Council calculated the Council Tax Base 2013/14
 - a. For the whole Council area as **63,631.44** (Item T in the formula in Section 31B of the Local Government Finance Act 1992 as amended (the Act)).
 - b. For dwellings in those parts of its area to which a Parish Precept relates as set out in Appendix C.
2. Council Tax requirement for the Council's own purposes

Calculate that the Council Tax requirement for the Council's own purposes for 2013/14 (excluding Parish Precepts) is as outlined in the Budget report to Cabinet on February 20th **£78,268,580**.
3. That the following amounts be calculated for the year 2013/14 in accordance with sections 31 to 36 of the Act.
 - a. **£724,554,546.74** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils (Gross Council Expenditure including Parish Precepts).
 - b. **£644,147,330.00** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act. (Council Income including Formula Grant, Council Tax Freeze Grant and the Collection Fund Balance).
 - c. **£80,407,216.74** being the amount by which the aggregate at 3a above exceeds the aggregate at 3b above, calculated by the Council in accordance with section 31A(4) of the Act as its Council Tax requirement for the year (Item R in the formula in section 31B of the Act).
 - d. **£1,263.6397** being the amount at 3c above (Item R) divided by Item T (1a above) calculated by the Council in accordance with section 31B of the Act as the basic amount of its Council Tax for the year (including Parish Precepts).
 - e. **£2,138,636.74** being the aggregate amount of all special items (Parish Precepts) referred to in Section 34(1) of the Act as per the attached Appendix C.
 - f. **£1,230.03** being the amount at 3d above less the result given by dividing the amount at 3e above by item T (1a above) calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no parish precept relates. (Band D Council Tax for Rotherham MBC services).
4. To note that the South Yorkshire Police and Crime Commissioner and the South Yorkshire Fire and Rescue Authority have issued Precepts to the

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Council in accordance with Section 40 of the Local Government Finance Act for each category of dwellings in the Council's area as indicated in the table below.

5. That the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate Council Tax amounts for unparished areas (rounded to the nearest penny) shown in the table below and in Appendix B (for those parts of its area to which one or more special items relate) as the amounts of Council Tax for 2013/14 for each part of its area and for each of the categories of dwellings.

Tax Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Rotherham Metropolitan Borough Council Only	820.02	956.69	1,093.36	1,230.03	1,503.37	1,776.71	2,050.05	2,460.06
South Yorkshire Police & Crime Commissioner	95.03	110.87	126.71	142.55	174.23	205.91	237.58	285.10
South Yorkshire Fire & Rescue Authority	42.52	49.61	56.69	63.78	77.95	92.13	106.30	127.56
Aggregate Council Tax Requirement (unparished areas)	957.57	1,117.17	1,276.76	1,436.36	1,755.55	2,074.75	2,393.93	2,872.72

6. That, in accordance with the principles determined by the Secretary of State and set out in the Referendums Relating to Council Tax Increases (Principles) (England) Report 2013/14, it be determined that Rotherham Metropolitan Borough Council's relevant basic amount of Council Tax for the year 2013/14 **is not excessive.**

1. Basic Amount of Council Tax by Band for Parished Areas

The amounts below being the amounts given by adding the amounts shown in Appendix C (Column F) as the basic amount of Council Tax for the year for dwellings in those parts of the Council's area to which Parish Precepts relate to the amount at Appendix A 3f (the basic amount of Council Tax for those parts the Council's areas to which no parish precepts relate), then multiplied by the number which, in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, (rounded to the nearest penny) calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

Tax Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Rotherham Metropolitan Borough Council Only	820.02	956.69	1,093.36	1,230.03	1,503.37	1,776.71	2,050.05	2,460.06
Parished Areas								
Anston	878.11	1,024.47	1,170.82	1,317.17	1,609.87	1,902.58	2,195.28	2,634.34
Aston-cum-Aughton	856.64	999.41	1,142.19	1,284.96	1,570.51	1,856.05	2,141.60	2,569.92
Bramley	846.69	987.81	1,128.92	1,270.04	1,552.27	1,834.50	2,116.73	2,540.08
Brampton Bierlow	852.15	994.17	1,136.20	1,278.22	1,562.27	1,846.32	2,130.37	2,556.44
Brinsworth	871.74	1,017.03	1,162.32	1,307.61	1,598.19	1,888.77	2,179.35	2,615.22
Catcliffe	875.09	1,020.93	1,166.78	1,312.63	1,604.33	1,896.02	2,187.72	2,625.26
Dalton	853.43	995.67	1,137.91	1,280.15	1,564.63	1,849.11	2,133.58	2,560.30
Dinnington St. John's	856.64	999.41	1,142.19	1,284.96	1,570.51	1,856.05	2,141.60	2,569.92
Firbeck	843.71	984.32	1,124.94	1,265.56	1,546.80	1,828.03	2,109.27	2,531.12
Gildingwells	820.02	956.69	1,093.36	1,230.03	1,503.37	1,776.71	2,050.05	2,460.06
Harthill with Woodall	863.25	1,007.12	1,151.00	1,294.87	1,582.62	1,870.37	2,158.12	2,589.74
Hellaby	843.74	984.36	1,124.99	1,265.61	1,546.86	1,828.10	2,109.35	2,531.22
Hooton Levitt	820.02	956.69	1,093.36	1,230.03	1,503.37	1,776.71	2,050.05	2,460.06
Hooton Roberts	820.02	956.69	1,093.36	1,230.03	1,503.37	1,776.71	2,050.05	2,460.06
Laughton-en-le-Morthen	851.88	993.86	1,135.84	1,277.82	1,561.78	1,845.74	2,129.70	2,555.64
Letwell	835.31	974.53	1,113.75	1,252.97	1,531.41	1,809.85	2,088.28	2,505.94
Maltby	847.50	988.75	1,130.00	1,271.25	1,553.75	1,836.25	2,118.75	2,542.50
Orgreave	843.77	984.39	1,125.02	1,265.65	1,546.91	1,828.16	2,109.42	2,531.30
Ravenfield	843.13	983.65	1,124.17	1,264.69	1,545.73	1,826.77	2,107.82	2,529.38
Thorpe Salvin	846.76	987.89	1,129.01	1,270.14	1,552.39	1,834.65	2,116.90	2,540.28
Thrybergh	860.56	1,003.99	1,147.41	1,290.84	1,577.69	1,864.55	2,151.40	2,581.68
Thurcroft	866.10	1,010.45	1,154.80	1,299.15	1,587.85	1,876.55	2,165.25	2,598.30
Todwick	864.14	1,008.16	1,152.19	1,296.21	1,584.26	1,872.30	2,160.35	2,592.42
Treeton	857.94	1,000.93	1,143.92	1,286.91	1,572.89	1,858.87	2,144.85	2,573.82
Ulley	884.30	1,031.68	1,179.07	1,326.45	1,621.22	1,915.98	2,210.75	2,652.90
Wales	869.82	1,014.79	1,159.76	1,304.73	1,594.67	1,884.61	2,174.55	2,609.46
Wentworth	830.02	968.36	1,106.69	1,245.03	1,521.70	1,798.38	2,075.05	2,490.06
Whiston	846.87	988.01	1,129.16	1,270.30	1,552.59	1,834.88	2,117.17	2,540.60
Wickersley	857.11	999.97	1,142.82	1,285.67	1,571.37	1,857.08	2,142.78	2,571.34
Woodsetts	883.99	1,031.32	1,178.65	1,325.98	1,620.64	1,915.30	2,209.97	2,651.96

The South Yorkshire Police and Crime Commissioner and Fire and Rescue Authority have stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act for each of the categories of dwelling.

Tax Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
South Yorkshire Police & Crime Commissioner	95.03	110.87	126.71	142.55	174.23	205.91	237.58	285.10
South Yorkshire Fire & Rescue Authority	42.52	49.61	56.69	63.78	77.95	92.13	106.30	127.56

3. Aggregate Council Tax Requirements

The amounts shown in the table below are set by the Council in accordance Sections 30 and 36 of the Local Government Finance Act 1992, as the aggregate Council Tax amount (rounded to the nearest penny) for those parts of its area to which one or more special items relate as the amounts of Council Tax for 2013/14 for each of the categories of dwellings.

Tax Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Aggregate Council Tax Requirement (Unparished Parts of the Council) (Appendix A5)	957.57	1,117.17	1,276.76	1,436.36	1,755.55	2,074.75	2,393.93	2,872.72
Parished Areas								
Anston	1,015.66	1,184.95	1,354.22	1,523.50	1,862.05	2,200.62	2,539.16	3,047.00
Aston-cum-Aughton	994.19	1,159.89	1,325.59	1,491.29	1,822.69	2,154.09	2,485.48	2,982.58
Bramley	984.24	1,148.29	1,312.32	1,476.37	1,804.45	2,132.54	2,460.61	2,952.74
Brampton Bierlow	989.70	1,154.65	1,319.60	1,484.55	1,814.45	2,144.36	2,474.25	2,969.10
Brinsworth	1,009.29	1,177.51	1,345.72	1,513.94	1,850.37	2,186.81	2,523.23	3,027.88
Catcliffe	1,012.64	1,181.41	1,350.18	1,518.96	1,856.51	2,194.06	2,531.60	3,037.92
Dalton	990.98	1,156.15	1,321.31	1,486.48	1,816.81	2,147.15	2,477.46	2,972.96
Dinnington St. John's	994.19	1,159.89	1,325.59	1,491.29	1,822.69	2,154.09	2,485.48	2,982.58
Firbeck	981.26	1,144.80	1,308.34	1,471.89	1,798.98	2,126.07	2,453.15	2,943.78
Gildingwells	957.57	1,117.17	1,276.76	1,436.36	1,755.55	2,074.75	2,393.93	2,872.72
Harthill with Woodall	1,000.80	1,167.60	1,334.40	1,501.20	1,834.80	2,168.41	2,502.00	3,002.40
Hellaby	981.29	1,144.84	1,308.39	1,471.94	1,799.04	2,126.14	2,453.23	2,943.88
Hooton Levitt	957.57	1,117.17	1,276.76	1,436.36	1,755.55	2,074.75	2,393.93	2,872.72
Hooton Roberts	957.57	1,117.17	1,276.76	1,436.36	1,755.55	2,074.75	2,393.93	2,872.72
Laughton-en-le-Morthen	989.43	1,154.34	1,319.24	1,484.15	1,813.96	2,143.78	2,473.58	2,968.30
Letwell	972.86	1,135.01	1,297.15	1,459.30	1,783.59	2,107.89	2,432.16	2,918.60
Maltby	985.05	1,149.23	1,313.40	1,477.58	1,805.93	2,134.29	2,462.63	2,955.16
Orgreave	981.32	1,144.87	1,308.42	1,471.98	1,799.09	2,126.20	2,453.30	2,943.96
Ravenfield	980.68	1,144.13	1,307.57	1,471.02	1,797.91	2,124.81	2,451.70	2,942.04
Thorpe Salvin	984.31	1,148.37	1,312.41	1,476.47	1,804.57	2,132.69	2,460.78	2,952.94
Thrybergh	998.11	1,164.47	1,330.81	1,497.17	1,829.87	2,162.59	2,495.28	2,994.34
Thurcroft	1,003.65	1,170.93	1,338.20	1,505.48	1,840.03	2,174.59	2,509.13	3,010.96
Todwick	1,001.69	1,168.64	1,335.59	1,502.54	1,836.44	2,170.34	2,504.23	3,005.08
Treeton	995.49	1,161.41	1,327.32	1,493.24	1,825.07	2,156.91	2,488.73	2,986.48
Ulley	1,021.85	1,192.16	1,362.47	1,532.78	1,873.40	2,214.02	2,554.63	3,065.56
Wales	1,007.37	1,175.27	1,343.16	1,511.06	1,846.85	2,182.65	2,518.43	3,022.12
Wentworth	967.57	1,128.84	1,290.09	1,451.36	1,773.88	2,096.42	2,418.93	2,902.72
Whiston	984.42	1,148.49	1,312.56	1,476.63	1,804.77	2,132.92	2,461.05	2,953.26
Wickersley	994.66	1,160.45	1,326.22	1,492.00	1,823.55	2,155.12	2,486.66	2,984.00
Woodsetts	1,021.54	1,191.80	1,362.05	1,532.31	1,872.82	2,213.34	2,553.85	3,064.62

Basic Amount of Council Tax for Parish Councils and Parish Meetings

Parish Council/Meeting	2012/13			2013/14			
	A	B	C	D	E	E	G
	Tax Base	Precept £	Band D Council Tax £	Tax Base	Precept £	Band D Council Tax £	Change in Council Tax %
Anston	3,035.03	260,000.00	85.67	2,882.98	251,234.26	87.14	1.7
Aston-cum-Aughton	4,597.07	252,500.00	54.93	4,307.50	236,611.00	54.93	0.0
Bramley	2,430.64	89,000.00	36.62	2,301.81	92,105.70	40.01	9.3
Brampton Bierlow	1,283.89	66,000.00	51.41	1,223.88	58,975.50	48.19	-6.3
Brinsworth	2,451.58	181,000.00	73.83	2,342.52	181,739.49	77.58	5.1
Catcliffe	571.33	49,050.00	85.85	593.81	49,050.00	82.60	-3.8
Dalton	2,889.30	150,000.00	51.92	2,579.63	129,286.51	50.12	-3.5
Dinnington St John's	2,576.36	147,290.00	57.17	2,377.53	130,605.44	54.93	-3.9
Firbeck	136.48	3,750.00	27.48	137.92	4,900.72	35.53	29.3
Gildingwells	42.00	0.00	0.00	40.43	0.00	0.00	0.0
Harthill with Woodall	669.99	44,105.00	65.83	633.41	41,070.02	64.84	-1.5
Hellaby	250.45	8,910.30	35.58	238.37	8,481.20	35.58	0.0
Hooton Levitt	56.74	0.00	0.00	56.09	0.00	0.00	0.0
Hooton Roberts	81.77	0.00	0.00	83.77	0.00	0.00	0.0
Laughton-en-le-Morthen	468.90	22,408.00	47.79	447.23	21,373.12	47.79	0.0
Letwell	62.18	1,574.00	25.31	68.62	1,574.00	22.94	-9.4
Maltby	4,700.62	193,954.00	41.26	4,283.06	176,536.90	41.22	-0.1
Orgreave	216.41	6,950.00	32.11	199.01	7,089.00	35.62	10.9
Ravenfield	1,049.49	37,500.00	35.73	1,031.41	35,746.44	34.66	-3.0
Thorpe Salvin	198.36	8,325.00	41.97	200.04	8,022.99	40.11	-4.4
Thrybergh	1,098.73	70,000.00	63.71	899.44	54,690.58	60.81	-4.6
Thurcroft	1,975.65	131,320.00	66.47	1,851.94	128,006.00	69.12	4.0
Todwick	660.08	44,400.00	67.26	652.26	43,163.43	66.18	-1.6
Treeton	882.77	52,000.00	58.91	836.60	47,589.89	56.88	-3.4
Ulley	66.29	6,360.00	95.94	65.96	6,360.00	96.42	0.5
Wales	2,152.17	160,761.00	74.70	2,029.33	151,590.95	74.70	0.0
Wentworth	582.48	9,000.00	15.45	556.29	8,344.85	15.00	-2.9
Whiston	1,643.07	64,897.88	39.50	1,515.07	61,010.25	40.27	2.0
Wickersley	2,713.79	138,750.00	51.13	2,618.34	145,687.50	55.64	8.8
Woodsetts	620.61	56,072.00	90.35	602.29	57,791.00	95.95	6.2
Totals	40,164.23	2,255,877.18		37,656.54	2,138,636.74		
Average Band D Council Tax			56.17			56.79	1.1