

OVERVIEW AND SCRUTINY MANAGEMENT BOARD
12th July, 2013

Present:- Councillor Whelbourn (in the Chair); Councillors Beck, Currie, Dalton, Falvey, Gilding, Read, G. A. Russell, Sims and Steele; the Deputy Leader, Councillor Akhtar, attended the meeting for consideration of item 31.

28. OVERVIEW AND SCRUTINY MANAGEMENT BOARD - STARTING TIME

Consideration was given to the starting time of meetings of the Overview and Scrutiny Management Board.

Resolved:- That future meetings of the Overview and Scrutiny Management Board shall begin at 9.00 a.m.

29. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

30. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

There were no questions from members of the public or the press.

31. GENERAL FUND - BUDGET PRINCIPLES 2014/15 AND ONWARDS 2014/15, PROPOSED BUDGET SETTING TIMETABLE AND 2013/14 REPORTING IN YEAR FINANCIAL BUDGET PERFORMANCE

Further to Minute No. 42 of the meeting of the Cabinet held on 3rd July 2013, consideration was given to a report presented by the Director of Finance stating that, in setting the 2013/14 Revenue Budget, it was recognised that the current budget principles, which had served the Council well since the coalition Government's programme of austerity begun, would need to be refreshed in the light of recent announcements that further significant funding reductions for Local Government were likely to continue until at least 2018. The report proposed a refreshed set of budget principles on which the 2014/15 General Fund Revenue Budget and Medium Term Financial Strategy should be based.

Included within the report were the proposed Budget Setting Timetable for the 2014/15 Revenue Budget and Medium Term Financial Strategy, as well as the proposed approach to reporting the Council's in-year financial performance to Cabinet for the financial year 2013/14.

Members noted that with the significant, continuing funding reductions and welfare reform changes that the Council would face until at least 2018, the new Budget principles were proposed to ensure the Council operated effectively within the funding available and delivered savings which had the least impact on the citizens of Rotherham.

The salient points of the presentation by the Director of Finance were:-

: April 2013 – changes, imposed by central Government, in the way local government is financed and to the welfare system;

: emphasis on the economic performance of local areas; areas performing less well, will have fewer resources to provide services;

: national funding outlook (before the recent spending review announcements by the Chancellor of the Exchequer); the changing mix of funding, including the business rates retention scheme, with the revenue support grant reducing;

: the outlook for local authorities, especially the rising costs of adult social care, waste management and also capital financing costs;

: studies by Sheffield Hallam University have produced forecast losses to the local economy arising from welfare reform changes and local authority budget reductions; the implications for the Rotherham Borough area;

: the prediction that the UK economy will take several years to recover; the International Monetary Fund's decisions on the AAA rating of the UK economy;

: using traditional budget principles, the Council has managed significant budget reductions during the past three years, although the next generation of savings will be especially difficult to manage without adopting new budget principles;

: the proposed budget principles were outlined; eg: to stop doing things that are not important to all people; a Business and Jobs Growth Fund ought to be created;

: the importance of "crime and grime" services for local people; eg: concerns about anti-social-behaviour, noise nuisance and also ensuring that street cleansing and grass cutting services are maintained;

: a forecast of the indicative funding gap from 2014/15 to 2015/16; revisions necessary as a consequence of the coalition Government's recent spending review;

: adjustments to Formula Grants;

: the triennial review of the Local Government Pension Scheme; increasing liabilities for the scheme, because people are living longer;

: the summary position of the Medium Term Financial Strategy; a funding gap of £20 millions from 2013/14 to 2014/15; resources are predicted to reduce into the 2015/16 financial year and beyond;

: the scope for change : managing service reductions and effectively managing choice and risk by making difficult decisions about funding for services;

: the radical changes have occurred to the Council during the past three years;

: the report included details of the budget timetable for the budget setting process for the 2013/2014 financial year; the timetable might be subject to change, in response to any announcements by the coalition Government.

Copies of the presentation slides will be provided for Members of the Overview and Scrutiny Management Board.

Members discussed the following issues:-

: protecting important services, such as those for children at risk;

: the need to grow the local economy, both in the Rotherham Borough area and in the wider Sheffield City Region; the difficulty of local authorities competing with each other to attract inward investment;

: ensuring that Members receive sufficient information about budget issues;

: the pressure on services (especially housing) from immigration;

: the impact of privatisation of public services;

: the 'community right to challenge';

: procurement from companies in the local area;

: the impact of the Local Plan and the availability of land for commercial and industrial use;

: the need to increase the business rates base in the Rotherham Borough area; eg: the recent business confidence survey; the importance of the Advanced Manufacturing Park (Waverley);

: the demand for and pressure on local authority and health services caused by social deprivation, homelessness and poverty;

: local authority funding for Local Economic Partnerships.

Resolved:- (1) That the report be received and its contents noted.

(2) That the Overview and Scrutiny Management Board notes:-

(a) the refreshed principles on which the 2014/15 General Fund Revenue Budget and Medium Term Financial Strategy will be based;

(b) the proposed budget setting timetable for the Revenue Budget 2014/15 and Medium Term Financial Strategy, with an additional opportunity for this management Board to receive a report prior to budget finalisation in February 2014 (this timetable may be subject to alteration); and

(c) the proposed approach to reporting to the Cabinet on the Revenue Budget monitoring position for the 2013/14 financial year and onwards.

32. SCRUTINY REVIEW OF FUEL POVERTY

Further to Minute No. 44 of the meeting of the Cabinet held on 3rd July 2013, consideration was given to a report presented by the Public Health Specialist detailing the response to the scrutiny review of Fuel Poverty which had taken place during the period April to December 2012. This review had been identified in the 2011/12 scrutiny work programme and originally allocated to the Improving Places Select Commission, focusing on physical schemes and measures to improve fuel efficiency in communities with a high incidence of fuel poverty. However, the issue of the forthcoming Green Deal and its potential impact had led to other Select Commissions raising fuel poverty as a key issue and, therefore, the review had been re-allocated to the Overview and Scrutiny Management Board as part of its 2012/13 work programme.

The report stated that, since completion of the review, progress had been made with work underway on a number of the Scrutiny's recommendations including the establishment of a Green Deal Working Group and a Green Deal Partnership Agreement under development. Members noted that all eleven of this review's recommendations had been accepted and lead officers identified to implement them in accordance with the details contained within the action plan.

Resolved:- (1) That the report be received and its contents noted.

(2) That a progress report on the implementation of the recommendations of the scrutiny review of Fuel Poverty be submitted to the meeting of the Overview and Scrutiny Management Board to be held on Friday, 24th January, 2014.

(3) That, further to resolution (2) above, monitoring reports on the implementation of the recommendations of the scrutiny review of Fuel Poverty be submitted to meetings of the Overview and Scrutiny Management Board at intervals of three months.

33. SCRUTINY ANNUAL REPORT 2012/2013

Consideration was given to a report presented by the Scrutiny Manager concerning the Scrutiny Annual Report for the 2012/2013 Municipal Year. Accordingly, Members considered the contents of the final draft of the Annual Report 2012/13, prior to its submission to the Council meeting on 24th July 2013.

Members agreed a number of contextual alterations to the Annual Report.

Members thanked the scrutiny officers for preparing this document.

Resolved:- (1) That the report be received and its contents noted.

(2) That the Scrutiny Annual Report for the 2012/2013 Municipal Year, as now amended, be approved insofar as this Management Board is concerned and forwarded to the Council meeting for further consideration.

34. YOUTH CABINET/YOUNG PEOPLE'S ISSUES

There were no issues to report.

35. MINUTES OF THE PREVIOUS MEETING HELD ON 28TH JUNE, 2013

Resolved:- That the minutes of the previous meeting of the Overview and Scrutiny Management Board, held on 28th June, 2013, be approved as a correct record for signature by the Chairman.

36. WORK IN PROGRESS**Health Select Commission:-**

The Chair reported on the recent activities of the Health Select Commission:-

: the continuing scrutiny review of the policy for the discharge of patients from hospital;

: continuing the spotlight review of childhood obesity, with a focus on healthy eating and physical education in primary schools.

: study of information sharing protocols between public authorities;

: considered the Cabinet's response to the recommendations of the scrutiny review of Autistic Spectrum Disorder

: consideration of the Clinical Commissioning Group's review of Urgent Care services (the Select Commission has decided to oppose the review's proposals).

Deborah Fellowes was thanked for her work in support of the Health Select Commission; this role will now be undertaken by her colleague Janet Spurling.

Improving Lives Select Commission:-

The Chair reported on the recent activities of the Improving Lives Select Commission:-

: consideration of the progress report on the scrutiny review of the role of school governors;

: consideration of the outcome of the review by the Government's Home Affairs Select Committee of child sexual exploitation – further reports will be submitted to the Select Commission later this year (this will be an open meeting and Members were encouraged to attend);

Self Regulation Select Commission:-

The Chair reported on the recent activities of the Self Regulation Select Commission:-

: continuing consideration of the Council's budget setting process;

: the review of Council's Commissioning function has begun;

: the review of this Council's Procurement function will soon begin (and will be led by the Improving Places Select Commission);

: there is to be a review of the Council's Corporate Plan.

Improving Places Select Commission:-

The Chair reported on the recent activities of the Improving Places Select Commission:-

: forthcoming study of the Housing allocations policy;

: consideration of the scrutiny review report of grounds maintenance and street cleansing services;

: the scrutiny review of homelessness will soon begin.

Overview and Scrutiny Management Board:-

The Chair reported on the recent activities of the Overview and Scrutiny Management Board:-

: it was agreed that there should be initial consideration of the Council's Corporate Plan, with the Chief Executive being invited to present the item at a meeting of this Management Board, prior to a detailed review by the Self Regulation Select Commission.

37. CALL-IN ISSUES

There were no formal call-in requests.