

CABINET MEMBER FOR SAFE AND ATTRACTIVE NEIGHBOURHOODS

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

Date: Monday, 6th January, 2014

Time: 10.00 a.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested, in accordance with the Local Government Act 1972 (as amended March 2006).
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency.
3. Declarations of Interest
4. Minutes of Meetings held on 14th October and 4th November, 2013 (see Council Minute book dated 11th December, 2013, Pages 10J-25J)
5. Area Assembly Chairs (Pages 1 - 8)
 - Minutes of meeting held on 11th November, 2013
6. Housing Revenue Account Budget Monitoring (Pages 9 - 15)
7. Neighbourhoods General Fund Revenue Budget Monitoring 2013-14 (Pages 16 - 19)
8. Housing Investment Programme 2013-14 (Pages 20 - 28)
9. 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 items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972 (information relating to the financial or business affairs of any particular person (including the Council)).
10. Housing Rent Increase 2014-15 (Pages 29 - 34)

11. District Heating Scheme Charges 2014-15 (Pages 35 - 38)

12. Procurement Outturn - Roofing Scheme for 23 3 Storey Blocks of Flats (Pages 39 - 42)

**AREA ASSEMBLY CHAIRS
MONDAY, 11TH NOVEMBER, 2013**

Present:- Councillor McNeely (in the Chair); Councillors Atkin, Beaumont, Dodson, Falvey, J. Hamilton, N. Hamilton, Havenhand, Johnston, Sims, Swift and Whelbourn.

Apologies for absence were received from Councillors Currie and Read.

12. MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 16th September, 2013, were noted.

13. ROTHERHAM BOROUGH COUNCIL BUDGET AND COUNCIL PRIORITIES CONSULTATION

Asim Munir (Community Engagement Team, Neighbourhoods and Adult Services) and Anne Ellis (Strategic Finance Team, Financial Services) made a presentation to the meeting about this Council's budget, the Council's service and spending priorities and the public consultation exercise now taking place to try and reduce the Council's expenditure and manage the reducing budget in the future.

Reference was made to:-

: budget forecasting, resource projections, including Government grants and future spending on adult services, children's social care, waste management, levy charges from joint authorities and capital financing costs;

: savings made in the last three financial years; including savings made in respect of front line services; the increasing use being made of shared services;

: the increasing demand upon services as a consequence of population changes in the Rotherham Borough area (initial data from the 2011 Census shows that the Borough's population has risen to 257,300 and is still increasing, with a larger number of people in the older age groups and of pensionable age);

: the Council's budget principles; focussing on the need to stimulate the local economy and to protect the most vulnerable people in society;

: the voice of residents will count in making suggestions of future budget savings;

: the methodology of the consultation was explained, including the use of an on-line forum and the list of questions to which the public will be invited to respond; workshops will take place with the Area Assemblies and with

Parish Councils;

: a budget consultation event is taking place on Wednesday 13th November 2013 at the New York football stadium, chaired by the Leader of the Council.

During discussion and questions, Members referred to the effect of the coalition Government's spending reductions and the severe impact they have had on local authorities' budgets and capacity to deliver services for the public.

Asim and Anne were thanked for their presentation.

14. **AREA ASSEMBLY CHAIRS/AREA PARTNERSHIP MANAGERS UPDATES**

Shaun Mirfield, Area Partnership Manager, together with the respective Area Assembly Chairs and Officers, gave the following reports:-

Rotherham North

- Shaun's colleague Helen Thorpe was introduced to the meeting;
- St. John's Green, Kimberworth Park - a 'task and finish group' has been established to improve the co-ordination of work; recent meeting about the local lettings policy have been beneficial;
- South Yorkshire Police report a reduction in eh levels of crime;
- Kimberworth Park Community Partnership has recently held a community event;
- efforts are being made to try and relocate and return the base of the Safer Neighbourhood Team to suitable premises within the community ;
- lack of recreation provision for young people at the Thornhill Recreation Ground; the Masbrough Youth Forum has arranged consultation about an appropriate site for the provision of a multi-use games area;
- Area Assembly meeting in December 2013 will celebrate the year's events and work (jointly with Rotherham South).

Rotherham South

- Shaun's colleague Kay Bacon was introduced to the meeting;
- Canklow – meeting with Canklow Community Connections and with the Council's Green Spaces Unit about interest in providing a skate park;
- community garden at Canklow – organising a 'clean up' event;
- Eastwood Liaison Forum – reporting that on-street anti-social behaviour and property based anti-social behaviour is reducing;
- the Eastwood Strategic Group will consider the priorities of the Eastwood Community Partnership;
- community event at Boston Castle Park;
- Area Assembly meeting in December 2013 will celebrate the year's events and work (jointly with Rotherham North).

Rother Valley West

Andrea Peers reporting:-

- the 'Big Local' organisation at Thurcroft has formed a community partnership and is undertaking action planning and has acquired premises at Green Arbour Road (from which services such as benefits advice and a credit union may eventually be provided);
- the Year 3 Community First money has all been allocated, to a variety of projects locally;
- public consultation is taking place about the proposed HS2 high speed railway; the route will directly affect Catcliffe and Waverley;
- Treeton – investigations of the possible future provision of a benefits advice service, based at the reading rooms;
- provision of a Skate Park in Aston – discussions with local young people and an initial contribution from Ward Councillor G. Smith's community leadership fund;
- reports that anti-social behaviour is reducing in Aston;
- the deprived community area at Hepworth Drive, Aston – recent appointment of an officer;
- arrangement of a 'Community First' celebration event, during December, to showcase each project;
- Community Leadership funding in Brinsworth – utilised to undertake community clean-ups in January, February and March 2014, including litter-picking by the community;
- Local Democracy Week - work with Year 6 pupils in local primary schools;
- discussion of use of Planning Act Section 106 monies (Community Infrastructure Levy) – possible use for a community arts project;
- recent consultation has identified that there should be a continuation of six meetings per year, both of the Area Assembly and of the Co-ordinating Group.

Wentworth Valley

Andrea Peers reporting:-

- Community First – eleven projects have been approved;

- Maltby Crags 'task and finish' group – have helped to improve the local environment and reduce anti-social behaviour;
 - events have been held for young people, including a football tournament and a barbecue;
 - awareness-raising event to be arranged about inquisitive crime (eg: shed break-ins) ;
 - a multi-agency event will be held on Thursday 14 November, 2013 at Full Life Church in Maltby, about raising the aspirations of vulnerable families;
 - Birks Holt estate at Maltby – environmental improvements have been welcomed; the provision of gardening tools loan scheme is being investigated;
 - Community event held on Thursday 31 October 2013 – members of the Chinatown (Maltby) TARA residents' group have helped to mentor residents of Birks Holt, Maltby about community action;
 - Local bus services – an event is to be held on Friday 22 November 2013 (at Flanderwell) about the changes to local bus services – a bespoke event for that community;
- : planning is taking place for a disadvantaged community event – raising aspirations for young women (a case study involving the 1984 miners' strike through the eyes of women in the community); and examining ways of effecting change in the community in challenging circumstances.

Rother Valley South

Andrea Peers reporting:-

- welcome to the meeting to officer Christine Staniforth;
 - Local Democracy Week (in the South of the Borough) – included the “top dog challenge” involving secondary school pupils and the South Yorkshire Police; this event studied the effects of alcohol abuse; the school team which produced the winning project will be making a visit to Parliament during December 2013; a similar project was organised with primary schools and the best team will visit the Rotherham Town Hall with His Worship The Mayor; the events attracted funding support from the Councillors' Community Leadership Fund;
- Dinnington Disadvantaged Community – a local allotment site, in private ownership, has become disused and is untidy because of the dumping of refuse; the site is unsuitable for residential development; a meeting is to be arranged with the landowners and with local stakeholders to try and make improvements to the appearance of the site and to try and develop

an appropriate use for the site;

Wentworth North

Christine Staniforth reporting:-

- : budget consultation has taken place;
- : Local Democracy Week - speed dating event, involving young people and Elected Members, to raise political awareness amongst young people;
- : review of provision and use of community centres;
- : significant reduction in crime in the local area, recently;
- : Community First – budgets are being utilised to the full;
- : Wentworth North and Wentworth South jointly will be organising a Community First celebration event;
- : Disadvantaged Communities – a programme of events is being developed;
- : the Summer Wonderland event at the Mowbray Gardens Library was very well attended – bringing disadvantaged communities together;
- : Thrybergh Parish Council – working with students of the Rotherham College of Arts and Technology to publish a community newsletter;
- : East Herringthorpe, Dalton and Thrybergh - provision of debt advice; community alcohol project to encourage sensible drinking;
- : the Tidy Garden competition winners' event has been successful – and there were also commendations for the people who voluntarily undertake gardening work in communal areas.

Wentworth South

Christine Staniforth reporting:-

- : budget consultation has taken place;
- : review of provision and use of community centres;
- : crime in the area has reduced by ten per cent recently;
- : Community First – budgets are being utilised to the full
- : Disadvantaged Communities – a programme of events is being developed.

Resolved:- That the progress reports concerning each Area Assembly be noted and the officers be thanked for their work.

15. COMMUNITY FIRST UPDATE

Shaun Mirfield, Area Partnership Manager, submitted an update on the Neighbourhood Grants Programme and the other elements of the Cabinet Office's Community First initiative, specifically Endowment Match Challenge and Community Organisers.

Neighbourhood Grants Programme

- 11 of Rotherham's 21 Wards were eligible for funding - £712,000 over

- a 4 year period to 31st March, 2015
- Community First Panels were required to allocate Years 1 and 2 funding by 30th June, 2012 and 31st March, 2013 respectively with each project required to submit a monitoring form to the administering body (Community Development Foundation (CDF))
- Rotherham's Panels had notified every Year 1 and Year 2 funded project that failure to provide any information as requested may result in those projects not being awarded any further Community First funding in the future
- all Panels have refreshed their plans/priorities and were registered with the CDF by the deadline of 31st March, 2013;
- excellent progress continued, with 80% of the Year 3 funding having been allocated and from which 86 projects had benefitted
- where appropriate, Panels were using the funding to complement the Deprived Neighbourhoods work by supporting projects around pre-school provision, debt advice and money management, adult skills and healthy lifestyles.

Endowment Match Challenge

- to be managed by the South Yorkshire's Community Foundation (SYCF)
- the challenge is to attract contributions from the private sector, which the Government would match
- the Challenge lasts until 31st March, 2015
- SYCF's accountability/reporting mechanism were direct to the U... K... C... F... ?? (UKCF) and to the CDF
- after 31st March 2015, any monies raised through the Endowment Match Challenge would be absorbed into SYCF's Small Grants process.

Community Organisers

- Successful application submitted for two East Herringthorpe community Organisers based at High Greave School
- the posts would be advertised locally
- Groundwork Sheffield will be the host organisation and compulsory training was being arranged (to take place during January 2014 at the High Greave Primary School).

Members noted that the Rawmarsh High Street Centre is a private project (ie: non-Council), although Council Members and officers are often present at its meetings and events.

Resolved:- That the contents of the report be noted.

16. AREA ASSEMBLIES AND AREA ASSEMBLY CO-ORDINATING GROUPS MEETINGS - FEEDBACK FROM CONSULTATION

Further to Minute No. 8 of the meeting of the Area Assembly Chairs held on 16th September, 2013, Paul Walsh, Housing and Communities

Manager, provided an update of the response from the Area Assembly and the Area Assembly Co-ordinating Groups to the consultation about the review of the future arrangements for both the Area Assembly and the Area Assembly Co-ordinating Group meetings.

The following issues and proposals of the review were highlighted:-

- there will be flexibility in terms of meeting rooms to be used, in order to reduce costs; this may mean that sometimes an Area Assembly meeting will take place at a venue outside its area;
- reference was made to the issue of voting rights and it was clarified that a proposal of the review is that all members of the co-ordinating groups will have voting rights;
- the Area Assemblies and the Area Assembly Co-ordinating Groups will have a minimum of four meetings per year.

It was noted that the proposals of this review and the suggested changes to the arrangements, will be subject to further consideration by the Overview and Scrutiny Management Board and by the Cabinet, during the next few months, prior to consideration by the full Council during March 2014.

17. **COMMUNITY RESILIENCE**

Further to Minute No. 10 of the meeting of the Area Assembly Chairs held on 16th September, 2013, Andrea Peers, Area Partnership Manager, reported on the community resilience scheme which has its origins in this Council's scrutiny review of the impact of severe Winter weather (reference: Minute No. C152 of the meeting of Cabinet held on 22nd February, 2012).

Members discussed the following salient issues:-

: Category One responders (to emergency occurrences and situations), such as this Council, must ensure that support is provided for vulnerable communities, especially during periods of extreme weather, such as flooding, heavy snowfall and freezing temperatures, etc.;

: discussions are taking place within some communities and with a number of Parish Councils about the preparation of Community Resilience Plans, with advice from this Council's Emergency Planning Section;

: there has not yet been significant progress made in the preparation of community resilience plans, in part because the ownership of the plans and the practicalities of implementation of the plans are still under consideration;

: the example of the appointment of community volunteers as 'snow wardens' was noted as progressing satisfactorily; this role involved local people keeping footpaths clear of snow and ice during Winter weather conditions.

It was agreed that the Council's Emergency Planning Section be asked to provide further advice and guidance on this matter, for the Area Assemblies and for communities and Parish Councils.

18. AREA PARTNERSHIP TEAM STAFFING UPDATE

Further to Minute No. 9 of the meeting of the Area Assembly Chairs held on 16th September, 2013, Paul Walsh, Housing and Communities Manager, reported on recent staffing changes affecting each of the Area Assemblies. Members noted that the increase in hours of various staff will be beneficial to those particular Area Assemblies, especially in terms of support for deprived communities.

Resolved:- That the information about recent staffing changes be noted.

ROTHERHAM BOROUGH COUNCIL - REPORT TO MEMBERS
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1.	Meeting:	Cabinet Member for Safe and Attractive Neighbourhoods
2.	Date:	Monday 6th January 2014
3.	Title:	Housing Revenue Account Budget Monitoring Report 2013/14
4.	Directorate:	Neighbourhoods and Adult Services

5. Summary

This budget monitoring report presents the forecast outturn position on the 2013/14 Housing Revenue Account (HRA) based upon actual income and expenditure to the end of November 2013.

The overall forecast is that the HRA will outturn on budget with a transfer from working balance (reserves) of £1.699m which is a reduction of £900k against the approved budget.

6. Recommendations

- **That Cabinet Member receives and notes the latest financial projection against budget for 2013/14.**

7. Proposals and Details

- 7.1** This budget report is based upon actual income, expenditure and known commitments as at the end of November 2013 forecast to the end of the financial year to give a projected outturn position, compared to budget.
- 7.2** Appendix A of this report provides the Budget Operating Statement for 2013/14 which shows the various income and expenditure budget lines which make up the net cost of delivering the service. The latest forecast net cost of service is (-£6.713m) which, together with Revenue Contribution to Capital (RCCO) costs of £8.437m and interest received (-£25k) will result in an overall deficit of £1.699m to be transferred from Working Balance.
- 7.3** Within the Operating Statement are several budget heads which are either year end adjustments (for example debt management costs £222k) or are subject to external influence and therefore outside direct control (for example cost of capital charges £14.602m).
- 7.4** Budget Monitoring is therefore mainly focussed upon expenditure and income which is within control, i.e. income of £78.904m, the repair and maintenance budget of £17.996m and supervision and management of £20.065m. Other budget heads as seen within Appendix A are currently being forecast to outturn in line with budget.

7.5 Budget Monitoring

- 7.5.1** Appendix A, column B demonstrates the projected outturn based upon activity to the end of November 2013.
- 7.5.2** Overall it can be seen that the net cost of service (before RCCO and interest received) is forecast to be -£6.713m, a surplus of £900k as shown in the table below.

	Budget £000	Forecast £000	Variance £000
Expenditure	73,091	73,011	-80
Income	-78,904	-79,724	-820
Net Cost of Service	-5,813	-6,713	-900

- 7.5.3** Several of the budget lines within income and expenditure are forecasting to outturn with a variance to budget. The table below highlights these budgets

	Budget £000	Forecast £000	Variance £000
Expenditure:			
Supervision and Management	20,065	20,185	120
Cost of Capital Charge	14,602	14,402	-200
Income:			
Dwelling Rents	-74,245	-74,330	-85
Non Dwelling Rents	-792	-798	-6
Charges for Services	-3,602	-4,220	-618
Other Fees and Charges	-214	-325	-111
Net Variance			-900

7.5.4 It can be seen that there is a forecast under spend on both income and expenditure budgets.

7.5.5 The balance of this report will focus on the main variations to budget.

7.6 Expenditure

Column B of Appendix A demonstrates that based upon expenditure and commitments to date, total expenditure is forecast to outturn at £73.011m compared to a budget provision of £73.091m, a reduction in spend of £80k. The main variations are as follows:

7.6.1 Contributions to Housing Repairs

Appendix A demonstrates that the forecast year-end spend on Repairs and Maintenance is currently forecasting to budget at £17.996m.

7.6.2 The empty homes budget is difficult to forecast as this is a very responsive service. The original budget has been set around an estimated 1,500 minor voids in year. At the end of October there were 158 more completions than budgeted. The main reason for the increase is the impact of the Welfare Reform as more tenants requested a transfer to smaller properties.

Within the Housing Repairs budgets there is an overall forecast overspend at this stage on cyclical works mainly around fixed wire testing and gas servicing together with an increase in responsive repairs. However, this is offset by forecast under spends within

unallocated Planned works to cover forecast overspends in responsive and empty homes budgets.

7.6.3 Supervision and Management

Column B of Appendix A demonstrates that based upon expenditure and commitment to date, total expenditure is forecast to outturn at £20.185m, a forecast overall over spend of £120k.

The main reason for the variation is the transfer to the Furnished Homes reserve due to additional income as more clients use the scheme (see paragraph 7.7.3) reduced by lower than expected staff turnover including slippage in implementing the review of structures across a number of teams.

7.6.4 Cost of Capital Charge

This latest forecast cost of capital charge is £200k less than budgeted due to lower than anticipated interest rates.

7.7 Income

7.7.1 Column B of Appendix A shows that based upon income received to date the total forecast income collectable is £79.724m an increase of £820k above the approved budget of £78.904m.

7.7.2 Dwelling rental income is projected to over recover by £85k, after allowing for 2% loss of income. Non-dwelling rents are also forecasted to slightly over recover against budget by £6k due to additional income from garage sites.

7.7.3 Income from charges for services and facilities are forecasting an outturn of £4.220m, an over recovery of income of £618k. This is mainly due to additional income on Furnished Homes (£624k) due to increase in number of clients plus more than anticipated fee income from Right to Buy sales (-£13k). However, there is a forecast under recovery of income from clients using Sheltered Neighbourhood Centres services (+£15k) as tenants opting out of the laundry charge due to having their own facilities and more than anticipated level of voids on District Heating schemes resulting in a slight under recovery of income (+£4k).

7.7.4 Other fees and charges is forecasting an over recovery of income of £111k against budget, which includes additional unbudgeted income in respect of the sale of Tenants contents insurance, recovery of court costs, income from sale of second hand furniture and income from utility companies for the use of solar panels.

7.8 Summary

In summary it can be seen in foregoing paragraphs 7.6 and 7.7 that the variance to budget of £900k when comparing the forecast net cost of

service against the budget of £5.813m is due mainly to variances within the supervision and management and cost of capital together with an over recovery of income.

8. Finance

Impact on Working Balance - The report identifies that any deficit or surplus arising from the net cost of service will be transferred to the Working Balance which is reflected through the Appropriations section of the Operating Statement at Appendix A. Any forecast increase/decrease will be added to the budgeted sum shown under transfer to reserves.

Based upon the current forecast out-turn position on the net cost of service, the forecast transfer from balances will reduce from £2.599m up to £1.699m, a reduction of £900k. The reduction in contribution from reserves is mainly a result of an increase in the level of income anticipated together with lower than forecast borrowing costs.

9. Risks and Uncertainties

- **Inflation – Non Contractual** –The 2013/14 Budget was formulated around an inflation assumption of nil (except on utilities); if inflation rises costs may exceed budget provision. It should be noted that the inflationary increase on the repair and maintenance contract is locked in for the financial year at 2.6 % and this has been provided for within the budget set.
Mitigation: Ongoing monitoring
- **Vacancy Factor**
Salaries budgets assume various levels of vacancies. If vacancies do not arise this could lead to salary costs in excess of budget.
Mitigation: In depth monitoring and forecasting of salary budgets.
- **Repair and Maintenance Voids.** Whilst the current empty home forecast is considered to be a prudent projection based upon 1,500 minor voids, it should be noted that the final number of voids received and completed in year could change. Any change in numbers or values will impact on expenditure.
Mitigation: Ongoing monitoring and triangulation with contractors. Any forecast increase in expenditure will be offset by a reduction in planned revenue works.
- **Rental Income**
Net rental income has been calculated on the basis of 2% void loss. Any increase / decrease on the actual levels of voids will impact on the level of income achieved.
Mitigation: Ongoing monitoring.

- **Impairment of Fixed Assets**

HRA Self Financing legislation has resulted in the costs of impairment/revaluation of non-dwellings becoming a real charge to be met by the HRA. This figure cannot be calculated until year end after the asset register has been fully updated. In 2012-13 the impairment charge was £646k.

Mitigation: Action is being taken to review the management of expenditure on non-dwellings assets to minimise the risk of impairment charges to the HRA. Advice is also being obtained via CIPFA as this is a real issue affecting many other local authorities.

10. Policy and Performance Agenda Implications

10.1 The HRA supports the new Corporate Plan Priorities and is central to the long term strategy:

- Making sure no community is left behind.
- Helping to create safe and healthy communities.
- Improving the environment.

11. Background Papers and Consultation

- Budget and Council Tax Setting Report (2013/14) to Cabinet February 2013
- Director of Finance and Director of Housing and Neighbourhood Services have been consulted on the preparation of this report.

Contact Name:

Mark Scarrott, Finance Manager, Neighbourhoods and Adult Services, Financial Services, Business Partnering, ext: 22007, email mark.scarrott@rotherham.gov.uk

Housing Revenue Account - Budget Operating Statement

Narrative	2013/14 Full Year Budget £	2013/14 Forecast Out-turn £	Variance £
<u>Expenditure</u>			
Contributions to Housing Repairs Account	17,996,000	17,996,000	0
Supervision and Management	20,065,000	20,185,117	120,117
Rents, Rates, Taxes etc.	174,000	174,000	0
Provision for Bad Debts	742,500	742,500	0
Cost of capital Charge	14,602,200	14,402,200	-200,000
Depreciation of Fixed Assets	19,288,734	19,288,734	0
Deferred Charges	0	0	0
Impairment of Fixed Assets	0	0	0
Debt Management Costs	222,000	222,000	0
Expenditure	73,090,434	73,010,551	-79,883
<u>Income</u>			
Dwelling Rents	-74,245,061	-74,329,767	-84,706
Non-dwelling Rents	-792,280	-798,306	-6,026
Charges for Services and facilities	-3,601,649	-4,220,205	-618,556
Other fees and charges	-213,800	-324,446	-110,646
Contribution to Expenditure	0	0	0
Leaseholder Income	-50,910	-50,910	0
Income	-78,903,700	-79,723,634	-819,934
Net Cost of Services	-5,813,266	-6,713,083	-899,817
Interest received	-25,000	-25,000	0
Net Operating Expenditure	-5,838,266	-6,738,083	-899,817
Appropriations:			
Transfer from Capital Finance Account- Deferred	0	0	0
Revenue Contributions to Capital Outlay	8,437,000	8,437,000	0
Transfer from Capital Finance Account- Impairment	0	0	0
Transfer from Major Repairs Reserve	0	0	0
Transfer from Reserves	-2,598,734	-1,698,917	899,817
Surplus/Deficit for the year	0	0	0

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Cabinet Member for Safe and Attractive Neighbourhoods
2.	Date:	Monday 6 January 2014
3.	Title:	Neighbourhoods General Fund Revenue Budget Monitoring 2013/14
4.	Directorate:	Neighbourhoods and Adult Social Services

5. Summary

This Budget Monitoring Report provides a financial forecast for Neighbourhoods General Fund within the Neighbourhoods & Adult Services Directorate to the end of March 2014 based on actual income and expenditure for the period ending November 2013.

The forecast for the financial year 2013/14 is an overall forecast under spend of (-£125k) against an approved net revenue budget of £2.463m.

6. Recommendation

That the Cabinet Member receives and notes the latest financial projection against budget for 2013/14.

7. Proposals and Details

The table below shows the summary forecast outturn position against the approved Net Revenue Budgets:-

SERVICE AREA	Net Budget	Forecast Outturn	Variance from Net Budget Deficit/ (Surplus)	% Variation to Net Budget
	£000's	£000's	£000's	%
Strategic Housing & Investment	188	198	10	5.32
Housing Options	289	247	-42	-14.53
Housing & Communities	265	212	-53	-20.00
Central	312	305	-7	-2.24
Business Regulation	207	176	-31	-14.98
Safer Neighbourhoods	1,202	1,200	-2	-0.17
TOTALS	2,463	2,338	-125	-5.08

The main variations against budget can be summarised as follows:-

7.1 Strategic Housing & Investment Service - SHIS (+£10k)

The SHIS team budget has a pressure of +£10k mainly as a result of a small shortfall on the staffing budget.

7.2 Housing Options (-£42k)

This area is projecting an overall under spend of (-£42k). This includes a (-£47k) projected under spend on the Dispersed Units Trading Account which will be requested as an earmarked balance to be carried forward at year end to support the on-going refurbishment programme for these units.

There is also a small surplus of (-£4k) within the Private Sector Adaptations Service as a result of increased fee income, and a projected over spend of +£9k on the Key Choices Property Management Service as a result of lower than anticipated income.

7.3 Housing & Communities (-£53k)

This service area is projecting an overall under spend of (-£53k).

This consists of projected under spends both within Area Assemblies and Supplies and Services budgets (-£37k) as a result of the Council wide moratorium on non-essential spend, which is partially reduced by a small over spend on Anti Social Behaviour due to lower than expected staff turnover +£6k.

There is also a small under spend of (-£4k) on the Community Safety Unit budget as a result of a recent vacancy which is not expected to be filled this financial year.

The under spend includes (-£18k) within Community Leadership Fund, of which £16k is relating to Members Annual budgets, and is likely to be requested as an earmarked balance for carry forward at the year end.

7.4 Central (-£7k)

A small under spend is forecast due to savings on supplies and services.

7.5 Business Regulation (-£31k)

Overall Business Regulation is projecting an under spend of (-£31k). Pressures on staffing costs within Health and Safety, Food and Drugs and Animal Health budgets totalling +£23k are being offset by savings within Trading Standards mainly due to continued vacant posts (-£44k).

Licensing is projecting a small under spend of (-£3k) due to increased income relating to the new Scrap Metal Dealer licences and Bereavement Services is now projecting a (-£7k) under spend as a result of less than anticipated costs relating to repairs and maintenance.

7.6 Safer Neighbourhoods (-£2k)

Savings within Community Protection through vacancy management and as a result of the moratorium on non-essential spend, partly reduced by a small remaining pressure on income due to reduced Environmental Protection Act (EPA) applications, leaving an overall forecast under spend of (-£14k).

Also, essential Health and Safety work on Landfill Sites is resulting in a forecast overspend of +£12k in this area.

7.7 Agency & Consultancy

To date there has been no spend on Agency and spend totalling £22,994 on Consultancy within Neighbourhoods General Fund Budgets.

Consultancy expenditure was incurred in respect of data and analysis relating to Green Deal Energy Efficiency projects which is grant funded.

7.8 Non Contractual Overtime

There has been minor expenditure of £200 on Non Contractual Overtime within Safer Neighbourhoods area. This was for the cost of weekend enforcement of the removal of Travellers from a Town Centre site.

8. Finance

The financial implications for each service area have been outlined in Section 7 above.

9. Risks and Uncertainties

These forecasts are based on financial performance to the end of November 2013. The forecast outturn is dependent on delivery of planned management actions being achieved and thus effective and tight financial management practices remain essential including holding monthly budget clinics with the Service Director and senior managers.

10. Policy and Performance Agenda Implications

The delivery of the Council's Revenue Budget within the limits determined in March 2013 is vital to achieving the Council's Policy agenda. Financial performance is a key element within the assessment of the Council's overall performance.

11. Background Papers and Consultation

- Report to Cabinet 20 February 2013 – Proposed Revenue Budget & Council Tax 2013/14.

The content of this report has been discussed with the Director of Housing and Neighbourhoods and the Director of Finance.

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ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET MEMBER

1.	Meeting:	Cabinet Member for Safe and Attractive Neighbourhoods
2.	Date:	6 January 2014
3.	Title:	Housing Investment Programme 2013/14 - November 2013
4.	Directorate:	Neighbourhoods and Adult Services

5.0 Summary

This report provides an update of the Housing Investment Programme 2013-14 to end of Period 8 November 2013.

As at the end of Period 8 November 2013, total spend on the Housing Investment Programme was £11,683,385 compared to a budget provision of £15,080,907, representing an under spend to date of £3,397,522 (-22.5% variance) against planned expenditure.

The report will provide details of savings and slippage on the individual schemes of work within the overall programme, and highlight the fact that the resources not profiled to be drawn down in 2013/14 will be carried forward into next financial year.

6.0 Recommendations

That Cabinet Member receives and notes the spend and forecast position to end Period 8 November 2013

That Cabinet Member approves the slippage of resources totalling £2,760,000 from 2013-14 to 2014-15.

7.0 Proposals and Details

7.1.1 This budget report is based upon the outturn position for the Housing Investment Programme (HIP) up to Period 8 November 2013.

7.1.2 Total spend of £11,683,386 against the revised budget of £15,080,907 which has resulted in an under spend to end November 2013 of £3,397,522 as demonstrated within the table below.

	2013-14 Budget £	2013-14 Revised Budget £	Actual spend to P8 £	Forecast spend to 31 March 14 £	Forecast Variance to end March 2014 £
Refurbishments	14,303,000	17,620,452	3,698,864	13,869,298	-3,751,154
Other Capital Works	9,934,000	7,366,957	3,774,018	7,137,320	-229,637
Total Capital Works to properties	24,237,000	24,987,409	7,472,882	21,006,618	-3,980,791
Fair Access to All	3,091,000	3,784,215	2,043,640	3,784,215	0
Regeneration/Neighbourhood Renewal	2,960,000	3,398,624	1,499,518	3,430,196	31,572
Other Public Sector	2,166,000	725,335	667,345	724,158	-1,177
Total Revised Capital Programme	32,454,000	32,895,583	11,683,385	28,945,187	-3,950,396

The reduced forecast spend to 31st March 2014 is a result of the following reasons:

- Works being tendered later than planned, resulting in shortened timeframe to deliver works.
- Stock condition surveys were not complete to all properties.
- A number of strategic property acquisitions to generate new council homes were deferred to 14/15.

7.2 Details

7.2.1 Housing Improvement Programme 2013-14 Capital Works

Appendix A provides the full programme breakdown of budget, forecast outturn and variance by project line and should be referred to in conjunction with the following explanations. The explanations below show

7.2.2 Refurbishments

(Revised Budget £17,620,452 Forecast Outturn £13,869,298 Variance - £3,751,154)

Refurbishments is comprised of Internal Works (Decent Homes), central heating replacements and External Works (Roofing, pointing, cladding).

- Internals: There continues to be a high number of refusals by tenants (circa 15-20%) which is mainly attributable to those tenants who previously declined during the Decent Homes programme and continue to do so. Where ever possible further properties are brought forward to off set these declines.
- Central Heating replacements: In order to reduce the revenue burden as a result of increasing repairs to Ideal and Buderus boilers it was identified that significantly more capital investment in 2013/14 was required. A total of 326 new boilers have been fitted through planned work programmes. In addition a further 305 properties have had either new boiler

replacement or re-piping of distribution systems through the ad-hoc central heating programme.

- Externals: Major capital investment to external elements of dwellings such as replacement roofs, external works to blocks of flats and replacement of Fascia's, soffits and Rainwater goods has taken longer than anticipated to tender and mobilise, this has resulted in reduced forecast spend. Discussions are ongoing with Keepmoat to increase scope of works, to now include full replacement of fascia boards and felt membrane beneath tiles abutting Rainwater Goods. This will subsequently increase spend on the Fascia's, soffits and bargeboard replacement programme.

7.2.3 Other Capital Works

(Revised Budget £7,366,957 Forecast Outturn £7,137,320 Variance -£229,637)

The sections below, breakdown individual spend within the Other Capital Works budget.

7.2.4 Environmental – Brinsworth

(Revised Budget £224,337 Forecast Outturn £249,482 Variance £25,145)

This project includes the completion of bin stores, paths and landscaping works around the Pike Road area and will be complete within the current financial year. Increase in forecast spend is a result of higher than anticipated costs at tender stage.

Other Environmental Works

(Revised Budget £1,260,021 Forecast Outturn £1,151,770 Variance -£108,251)

A variety of environmental schemes are ongoing and due to commence. Examples include:

Briery Walk, Munsbrough

The removal of overgrown trees and bushes in public open space which were creating secluded locations and blocking street lights. The clearance was the first phase of improvements before looking to improve security of drying spaces and secure drying spaces which have become run down/damaged over time. We have used fencing to reduce opportunities for rat-runs in an attempt to aid police surveillance and deter opportunities for crime.

St Johns Green, Kimberworth Park

Visually opening and removing sheltered areas on communal stairs to flats above the shops which have had persistent troubles with ASB over many years. Also the installation of gates and railings to improve the security these flats.

7.2.5 Empty Homes (Revised Budget £1.819m Outturn £2,346,929m Variance £527,287)

There has been a significant upturn in forecast spend to 31st March 2014 due to increasing number of void properties. We believe this to be a result of increased terminations by tenants affected by general financial pressures resulting from Welfare reform. At the time of writing further investigations are ongoing to fully understand reasons for increase.

148 major voids were complete to end of November 2013. Major voids occur when the cost of bringing a property up to the lettable standard exceeds £4,000. This often occurs where a previous tenant has refused decent homes works and so properties now required new kitchens, bathrooms or central heating systems.

**7.2.6 Replacement Communal Entrance Doors
(Revised Budget £929,863 Forecast Outturn £929,863 Variance £0)**

High security communal entrance doors have been replaced to 104 blocks of flats. It is anticipated this scheme will be fully complete by end of the financial year.

**7.2.7 Electrical Board & Bond
(Revised Budget £200,000 Forecast Outturn £199,085 Variance -£915)**

This is a demand led service and the number of properties requiring capital works following Fixed Wire Testing was lower than forecast.

Actual fixed wire test related works (re-wires, new consumer units etc.) have been carried out in 133 properties.

**7.2.8 Asbestos Removal & Testing
(Revised Budget £370,000 Forecast Outturn £270,000 Variance -£100,000)**

This budget is primarily focused on funding asbestos surveys and removals to properties that are receiving planned capital improvement works. The under spend is a result of asbestos removal and testing now being met from within individual project budgets.

**7.2.9 Boundary Wall Treatments
(Revised Budget £200,000 Forecast Outturn £199,968 Variance -£32)**

To date works have still to commence. It is anticipated works will take place to the boundary walls of 70 properties in the final quarter of the financial year. The forecast variance is following tender return, but may change if variations are identified on site.

**7.2.10 Flat Door Replacement
(Revised Budget £620,362 Forecast Outturn £832,711 Variance £212,349)**

Replacement flat door programme has now commenced, the over spend is following tender return. This was a joint tender for window and door replacements. The forecast overspend on flats doors will be off set by virement of windows budget, which is forecast to spend less than planned.

To date a total of 193 properties have received new flat doors.

**7.2.11 District Heating Conversions
(Revised Budget £218,000 Forecast Outturn £90,630 Variance -£127,370)**

2013/14 programme provides for a full stock condition survey of all District Heating schemes to enable more accurate forecast in future. Works are due to commence in the final quarter of 2013-14, subject to successful outcome of the Renewable Heat Incentive application for funding towards Biomass Hoppers. If this is successful works will commence in Quarter 4 on installation of the new hoppers.

At the current time remaining spend forecast is based on previous years capital charges to cover potential breakdown of the District Heating system.

A further report will be submitted to Cabinet member for approval in February 2014 outlining detailed 5 year investment proposals for rationalisation and upgrading of remaining systems.

7.2.12 EPC Improvements

(Revised Budget 475,000 Forecast Outturn £100,000 Variance -£375,000)

This budget was originally intended to fund External Wall insulation to non – traditional properties and installation of top up cavity and loft insulation. Given the success at leveraging in additional funds through the non traditional investment programme, the majority of funding for EWI has not been required.

Thermal efficiency works through upgrading of glazing to 16 properties has been undertaken to date.

7.2.13 New IT System

(Revised Budget £324,732 Forecast Outturn £60,000 Variance -£264,732)

This budget is to fund purchase and implementation of new integrated Housing Management System. To date the project has experienced significant delays in implementation due to poor service from the supplier. As a result the funding of £264,732 will be slipped into 2014-15.

7.2.14 General Structures

(Revised Budget £650,000 Outturn £650,000 Variance £0)

This budget is to fund remedial works to building structures and includes, pointing, rendering, underpinning and damp proof works. Based on current run rate for works we expect to fully spend this budget by end of the current financial year.

7.2.15 Lift Replacement

(Revised Budget £75,000 Forecast Outturn £56,882 Variance -£18,118)

Works are due to commence in January 2014 to undertake the refurbishment of 3 lifts, including at Shaftsbury House. There has been no spend to date.

7.3 Fair Access to All

7.3.1 Disabled Adaptations (Public Sector)

(Budget £2,144,980 Forecast Outturn £2,144,980 Variance £0)

7.3.2 Disabled Adaptations (Private Sector)

(Budget £1,639,235 Forecast Outturn £1,639,235 Variance £0)

A series of service improvements and efficiencies have led to delivery of backlog works resulting in increasing spend. The increased spend is accounted for against the overall budget.

Disabled aids and adaptations (major) were undertaken in 189 public sector homes. Disabled aids and adaptations (major) were undertaken in 274 private sector homes.

7.4 Regeneration / Neighbourhood Renewal

7.4.1 Non-Trad Investment

(Budget £1,841,000 Forecast Outturn £1,841,310 Variance £0)

This budget is to complete external refurbishment and insulation render works to non traditional properties. This is part of an ongoing programme to extend the life of non traditional stock by circa 25 years.

Investment was made in 377 non traditional dwellings in Wath, Rawmarsh, East Deane and Whiston.

7.4.2 Garage Site Investment

(Budget £500,000 Forecast Outturn £529,504 Variance £29,504)

Investment has been made to 4 Garage Sites so far this year at Haugh Road, West Melton; Langley Close, East Herringthorpe; Gray Avenue, Aston and Scott Close, Thurcroft. Works have included re-surfacing to the highway, re-roofing, doors and general environmental improvements.

7.4.3 Dinnington Transformational Change

(Budget £25,000 Forecast Outturn £22,314 Variance -£2,686)

This project was funded through Regional Housing Board and was the installation of temporary art work to Dinnington Town centre.

7.4.4 Canklow Phase 1 & 2

(Budget £450,000 Forecast Outturn £451,035 Variance £1,035)

This is a multi-year programme of activity to regenerate an area within Canklow through Housing Market Renewal.

The project is focused on demolition, buy back and refurbishment of public and private sector properties in the area.

7.4.5 Bellows Road Service Centre Clearance

(Budget £585,000 Forecast Outturn £585,000 Variance £0)

This is a Housing Market Renewal scheme and includes the construction of new shop units and provision of new housing within the area. To date there has been a total spend of £40k, there is some uncertainty whether the remaining funding will be spent within the current financial year. If funding does not get spent, we will seek slippage of funding at the year end.

7.5 Other Public Sector

7.5.1 Opportunity Acquisitions

(Budget £2,166,000 Forecast Outturn £725,335 Variance -£1,440,665)

This is a multi-year commitment to acquire properties to add to the Council's social housing stock. Strict criteria are applied to the acquisitions which have led to more protracted negotiation than anticipated and hence the previous slippage. To date a total of 16 properties have been purchased under this scheme. Negotiations are ongoing to purchase a further 72 properties through this programme at Wickersley, Rawmarsh, Thurcroft, Dalton and Harthill. A further report will be submitted to

Cabinet member detailing timetable for the remainder of this programme in March 2014.

7.6 Slippage to 2014/15

All works listed below commenced in 2013/14 financial year and were programmed to complete prior to 31st March 2014. The budgets were aligned to the programme therefore no allowances have been made for these works in 2014/15 Capital Programme. Works will now continue into 2014/15 due to slippage as a result of late tenders and additional works being identified following letting of works. To reduce the impact on the asset management business plan it is proposed the values below will be slipped from 13/14 to 14/15:

13/14 Budget Head	Slippage Value £
Refurbishment	2,186,062
Windows	309,206
New IT System	264,732
Total	2,760,000

At the current time we are only seeking slippage of £2,760,000. This does not represent all forecast underspends to end of March 2014 of £3,950,396 as we are negotiating with contractors around accelerating the flat door replacement programme and increased costs on the fascia's, soffits and barge board replacement programmes which may increase year end forecast spends. The outcome of these discussions will be reported in P9 monitoring.

7.7 Summary

7.7.1 Overall total HIP spend to Period 8, November 2013 was £11,683,386. The current forecast outturn position to 31 March 2014 is forecast to be £28,945,187 compared to a revised budget provision of £32,895,583.

Savings and slippage identified within this report are primarily across schemes funded through the Major Repairs Allowance (MRA). These resources will be carried forward into future years.

8.0 Finance

8.1 The table overpage identifies the funding available to meet the costs of delivering the HIP in 2013/14:

Funding Summary HIP	£
Grants	1,474,503
RCCO	8,473,000
Prudential Borrowing HRA	685,500
Prudential Borrowing GF	457,750
Capital Receipts RTB	655,518
Capital Receipts HRA Other	39,835
Capital Receipts	1,002,000
MRA	21,036,699
Total	33,824,805

Year end adjustments to funding will be made as appropriate to ensure all works are funded from within existing resources. The year end funding position will be reported in the year end out turn report.

9.0 Risks and Uncertainties

The 2013/14 Forecast Outturn position will be subject to change based on final value of works complete to 31 March 2014. This will be influenced by any extreme weather or unforeseen issues on site. Based on current spend position at P8 it is likely that some Private sector scheme may require further slippage of funding into 2014-15. If this materialises it will be reported at P9 monitoring.

10.0 Policy and Performance Agenda Implications

The HIP supports the Corporate plan priorities and is central to the longer term Housing Strategy:

- Making sure no community is left behind
- Helping to create Safe and Health Communities
- Improving the environment

11.0 Background Papers and Consultation

Dave Richmond, Director of Housing and Neighbourhoods,
Stuart Booth, Director of Financial Services and Budget Holders have been consulted during the preparation of this report.

Reports to Cabinet Member for Safe and Attractive Neighbourhoods

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Appendix A

	A	B	C	D	E	F	G	H	I
1		HIP PROGRAMME 2013-14 - POSITION AS AT PERIOD 8							
2									
3									
4			Budget		Manager's Forecast		Variance (Over + / Under -)		%age (Over + / Under -)
5			£		£		£		%
6									
7		REFURBISHMENT / IMPROVEMENTS							
8		Refurbishment	13,999,514		10,672,027		-3,327,487		-23.77%
9		Windows	610,349		301,143		-309,206		-50.66%
10		Replacement of Central Heating / Boilers	3,010,589		2,896,128		-114,461		-3.80%
11		REFURBISHMENT / IMPROVEMENTS TOTAL	17,620,452		13,869,298		-3,751,154		-21.29%
12									
13		OTHER CAPITAL WORKS							
14		Empty Homes	1,819,642		2,346,929		527,287		28.98%
15		Replacement of Communal Doors (High Security)	929,863		929,863		0		0.00%
16		Environmental Works	1,484,358		1,401,252		-83,106		-5.60%
17		Electrical Board & Bond	200,000		199,085		-915		-0.46%
18		Community Centre Improvements (5 Year Programme)	0		0		0		NA
19		Boundary Wall Treatments	200,000		199,968		-32		-0.02%
20		Asbestos Removal & Testing	370,000		270,000		-100,000		-27.03%
21		Flat Door Replacement	620,362		832,711		212,349		34.23%
22		District Heating Conversions	218,000		90,630		-127,370		-58.43%
23		One-Off Properties	0		0		0		NA
24		EPC Improvements	475,000		100,000		-375,000		NA
25		New IT System	324,732		60,000		-264,732		-81.52%
26		General structures	650,000		650,000		0		0.00%
27		Lift Replacement	75,000		56,882		-18,118		-24.16%
28		OTHER CAPITAL PROJECTS TOTAL	7,366,957		7,137,320		-229,637		-3.12%
29									
30		ALL WORKS TO PROPERTIES TOTAL	24,987,409		21,006,618		-3,980,791		-15.93%
31									
32		FAIR ACCESS TO ALL							
33		Public Adaptations	2,144,980		2,144,980		0		0.00%
34		Private Adaptations	1,639,235		1,639,235		0		0.00%
35		FAIR ACCESS TO ALL TOTAL	3,784,215		3,784,215		0		0.00%
36									
37		REGEN. / NEIGHBOURHOOD RENEWAL							
38		PUBLIC SECTOR							
39		Non-Traditional Investment	1,841,310		1,841,310		0		0.00%
40		Garage Site Investment	500,000		529,504		29,504		5.90%
41		Public Sector Sub Total	2,341,310		2,370,814		29,504		1.26%
42									
43		PRIVATE SECTOR							
44		Dinnington Transformational Change (RHB)	22,314		23,347		1,033		4.63%
45		Canklow Phase 1 & 2	450,000		451,035		1,035		0.23%
46		Bellows Road Service Centre Clearance	585,000		585,000		0		0.00%
47		Private Sector Sub Total	1,057,314		1,059,382		2,068		0.20%
48									
49		REGEN. / NEIGHBOURHOOD RENEWAL TOTAL	3,398,624		3,430,196		31,572		0.93%
50									
51		OTHER PUBLIC SECTOR							
52		HCA NEW BUILD							
53		Opportunity Acquisition	725,335		724,200		-1,135		-0.16%
54		Carry Over from 11-12 New Builds	0		-42		-42		NA
55		OTHER PUBLIC SECTOR TOTAL	725,335		724,158		-1,177		-0.16%
56									
57		SUB TOTAL 2	7,908,174		7,938,569		30,395		0.38%
58									
59		TOTAL CAPITAL PROGRAMME	32,895,583		28,945,187		-3,950,396		-12.01%

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