

## **CABINET**

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

**Date: Wednesday, 18 September 2013**

**Time: 10.30 a.m.**

## **A G E N D A**

1. Questions from Members of the Public
2. To determine if the following matters are to be considered under the categories suggested in accordance with the Local Government Act 1972.
3. To determine any item which the Chairman is of the opinion should be considered as a matter of urgency.
4. Declarations of Interest
5. Minutes of the previous meeting held on 4th September, 2013 (copy supplied separately)
6. Combined Authority Consultation (report herewith) (Pages 2 - 8)
  - Strategic Director of Environment and Development Services to report.
7. Review of Assisted Areas (report herewith) (Pages 9 - 14)
  - Strategic Director of Environment and Development Services to report
8. Proposals to make a 'Prescribed Alteration' to Thrybergh School and Sports College by a change of age range from 11-16 to 3-16 by closure of Dalton Foljambe Primary School (report herewith) (Pages 15 - 18)
  - Strategic Director of Children and Young People's Services to report.
9. Proposed Extension of Planned Places at Newman Special School for Children with Special Educational Needs (report herewith) (Pages 19 - 23)
  - Strategic Director of Children and Young People's Services to report.
10. New Central Primary School (report herewith) (Pages 24 - 30)
  - Strategic Director of Children and Young People's Services to report.

11. Child Sexual Exploitation Update (report herewith) (Pages 31 - 36)
  - Strategic Director of Children and Young People's Services to report.
12. Terms of Reference for the Inquiry Report (herewith) (Pages 37 - 45)
  - Chief Executive to report.
13. DCLG Technical Consultation on the Local Government Finance Settlement for 2014/15 and 2015/16 Consultation Response (report herewith) (Pages 46 - 53)
  - Director of Finance to report.
14. Exclusion of the Press and Public  
The following items are likely to be considered in the absence of the press and public as being exempt under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended March 2006) (information relating to the financial or business affairs).
15. Land adjacent to 66 Brampton Road, West Melton (advance notice given)\* (report herewith) (Pages 54 - 59)
  - Strategic Director of Environment and Development Services to report.
16. Land to the rear of 14 Oakwood Road West, Broom Valley (advance notice given)\* (report herewith) (Pages 60 - 65)
  - Strategic Director of Environment and Development Services to report.
17. Former Car Parks (A & B) off Fitzwilliam Road and Cottingham Street, Eastwood (advance notice given)\* (report herewith) (Pages 66 - 72)
  - Strategic Director of Environment and Development Services to report.

**In accordance with Section (7) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 the Chairman of the Overview and Scrutiny Management Board has agreed that those items marked (\*) contain decisions which need to be acted upon as a matter of urgency and which cannot be reasonably deferred (see notice attached)**

**Cabinet Meeting – 18<sup>th</sup> September, 2013**

Take notice, in accordance with Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, that the following report is to be considered in the private part of the meeting without having provided the required twenty-eight days' notice:-

- **Land adjacent to 66 Brampton Road, West Melton**

An exemption under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report provides information about financial and business affairs.

- **Land to the rear of 14 Oakwood Road West, Broom Valley**

An exemption under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report provides information about financial and business affairs.

- **Former Car Parks (A & B) off Fitzwilliam Road and Cottingham Street, Eastwood**

An exemption under Paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report provides information about financial and business affairs.

The Chair of the Overview and Scrutiny Management Board has agreed that the items are urgent and cannot reasonably be deferred.

**Jacqueline Collins**  
**Director of Legal and Democratic Services**  
**5<sup>th</sup> September, 2013.**

**ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET**

<b>1.</b>	<b>Meeting:</b>	<b>Cabinet</b>
<b>2.</b>	<b>Date:</b>	<b>18th September 2013</b>
<b>3.</b>	<b>Title:</b>	<b>Combined Authority Consultation</b>
<b>4.</b>	<b>Directorate:</b>	<b>Environment and Development Services</b>

**5. Summary**

The report outlines the key points to be covered in a joint city region response to the government consultation on establishing a combined authority for Sheffield city region. This follows the agreement by city region local authorities earlier in the year to form a combined authority that would replace South Yorkshire Integrated Transport Authority (ITA) and have strategic responsibility for transport and economic development issues affecting the city region.

**6. Recommendations****That cabinet:**

- Agree to endorse a joint city region consultation response (see appendix) that highlights the issues outlined in section 7 below, rather than submitting a separate RMBC response

## **7. Proposals and Details**

### **Background**

A comprehensive governance review, conducted in 2012/13, identified three overarching reasons for establishing a combined authority for Sheffield city region:

- To give the city region access to devolved powers and funding now and in the future
- To align decision making in relation to strategic economic development and transport
- To put in place strong, stable and accountable leadership, recognised by government

As members will be aware, RMBC agreed to become a member of the combined authority ("SCR Authority") following agreement by cabinet and full council in February/March 2013.

A proposal was subsequently submitted to the Department for Communities and Local Government, which is now carrying out formal consultation with a view to establishing the new body by April 2014.

Leaders and chief executives have agreed that the city region will issue a joint consultation response, which will be largely positive whilst highlighting the following issues:

- Government's "rebranding" of the combined authority as "South Yorkshire Combined Authority" rather than Sheffield City Region Combined Authority (or "SCR Authority"), which is seen as unhelpful and factually inaccurate, given that the combined authority will have powers in relation to the wider city region
- The need for government to take steps to ensure that combined authorities have the necessary suite of powers, particularly in relation to economic development
- That the delegation of responsibilities between the combined authority and the local enterprise partnership should be a matter determined locally, rather than by government

Members are asked to endorse a response (see attached appendix) focused around the above points, which will be submitted – via the city region executive team – by the 7th October deadline.

The combined authority will oversee various funding streams devolved from government, including monies secured from a "local growth fund", which will be established by government from 2015/16.

This will involve a competitive bidding process, with government awarding funding based on the quality of strategic economic plans developed by local areas.

As part of the working arrangements for the combined authority and local enterprise partnership, an effective mechanism for allocating and managing this funding will need to be developed.

Further information on the local growth fund will be brought to members at a later date when government has published more detailed guidance.

### **8. Finance**

There will be financial implications for RMBC relating to the combined authority and associated issues such as the establishment of the local growth fund. The latter will incorporate a proportion of local authorities' New Homes Bonus allocations (likely to be 35.09%) as well as funding for transport and skills.

The government is currently consulting on pooling arrangements for New Homes Bonus, but further detailed guidance is awaited on the local growth fund.

Given that the combined authority will effectively replace the ITA, there will also be implications for the ITA levy.

The various cost / funding lines listed below may all be affected to some extent:

2013/14 RMBC contribution to city region team running costs - £35,909

2013/14 NHB allocation - £2.75m

Cost of ITA levy – £16.42m

Establishing the combined authority will enable RMBC and its partners to secure additional powers and devolved funding from government. In the longer term this should bring financial benefits as local partners work together to generate economic growth.

### **9. Risks and Uncertainties**

It will be important to ensure that the cost implications relating to the establishment of the combined authority and the pooling of various funding streams are fully understood.

As local government funding arrangements change, with an increasing proportion based on "performance" (i.e. business rates retention) rather than need, the city region dimension is crucial. The combined authority will enable RMBC to have real influence over a significant amount of funding that is currently controlled by central government. At the same time though, the council will lose discretion over the use of some funding (e.g. a proportion of NHB) as it will be pooled at city region level.

In this context, it will be critical to ensure that arrangements put in place to manage devolved funding and deliver growth programmes are cost effective, fair and transparent.

## **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**

[Government consultation document](#)

**Contact Name:** Michael Holmes, policy officer, x54417,  
[michael.holmes@rotherham.gov.uk](mailto:michael.holmes@rotherham.gov.uk)

AMP Technology Centre  
Advanced Manufacturing Park  
Brunel Way  
ROTHERHAM  
S60 5WG

Tel: 00 44 (0)114 254 1335  
[www.sheffieldcityregion.org.uk](http://www.sheffieldcityregion.org.uk)

**27 August 2013**

**Proposal to establish a combined authority for the Sheffield City Region**

Dear Secretary of State,

We write to you on behalf of the nine local authorities that form the Sheffield City Region and on behalf of the private sector members of the Sheffield City Region Local Enterprise Partnership (LEP).

Last week, we reviewed the Governments' consultation on our proposals to create a combined authority and were surprised and disappointed by your decision to change the name of our combined authority from 'Sheffield City Region' to 'South Yorkshire', without any prior consultation with ourselves.

As your Department is aware, the LEP in the Sheffield City Region is currently a voluntary partnership between the four South Yorkshire Authorities, five East Midlands district authorities together with the private sector covering this whole geography. It captures your own personal and the original vision for LEPs as 'functional economic areas' making sense for economic growth over administrative convenience. Ours was a particularly challenging geography for Whitehall because it crossed old regional boundaries and this was welcomed and strongly supported by your Department at the time.

So our choice of name for the combined authority was deliberate and mirrors the LEP name, which is well recognised and clearly accepted by all Ministers and their departments in Whitehall. It reflects the functional economic geography and the desire of the nine authorities and private sector to work together on strategic economic issues. Whilst we understand that there are currently some legislative constraints, this should not, we feel, extend to the choice of name for either the combined authority and by implication the LEP.



We also feel that the way your name change has been implemented in the consultation document creates unnecessary ambiguity. The consultation document states that the Governance Review considered the effectiveness and efficiency of arrangements in *South Yorkshire* and then makes a *city region-case* for why a combined authority is the optimal legal model going forward (paragraphs 15 onwards). Having spent much time and not inconsiderable effort over the last three years to create a well respected and recognised 'brand' in the City Region, it is important that this is preserved and protected so as not to confuse everyone, especially the private sector.

In the formal consultation response that will follow, we will request that, in accordance with the localist policies set out in this document (paragraph 2 and paragraph 24), our combined authority is referred to as the Sheffield City Region Authority or SCR Authority in the final order proposed to Parliament and in all future documentation.

We would also like to make clear that the proposal we put forward is the optimal, deliverable solution possible within the constraints of the existing legislation. But it has been our experience and that of your officials, who all agree that the legislation is not sufficiently flexible to address the range of local arrangements that exist around England. We pointed this out to your officials at the time of submitting our proposals and were assured that the legislation would be amended appropriately to fit in with our proposed structures.

On this basis, we are supportive of proposed changes to the Local Democracy, Economic Development and Construction Act 2009. From our perspective this must include:

- Helping combined authorities to work better in two-tier areas such as ours – which would include allowing our second tier district councils to be constituent members of our combined authority for the purposes of economic development and regeneration.
- Giving the combined authority the power to borrow (and potentially levy) for non-transport purposes as well as transport – a measure that would support the development of our City Region Investment Fund (SCRIF), within the constraints of the proposed Localism Act.
- Allowing combined authorities to recover VAT in the same way as local authorities, or indeed Joint Committees – our understanding is that steps are being taken to address this issue already although it is vital that progress is made by 1<sup>st</sup> April 2014.
- Simplifying the process of making minor amendments to the membership or powers of a combined authority i.e. so that minor amendments can be made without the requirement for a full Governance Review, Scheme and Order.

We have a real concern that, what could be interpreted as a 'cosmetic' name change is indicative of something more significant. Accordingly, we would like to request a meeting to discuss these concerns further and / or a written response to explain this amendment.

Yours sincerely on behalf of the public and private sector in the Sheffield City Region

<Cllr Houghton Signature>

Cllr Sir Steve Houghton (Leader of Barnsley Metropolitan Borough Council and Chairman of the SCR Leaders Group / Combined Authority)

A handwritten signature in dark ink, appearing to read 'James Newman', with a large, stylized initial 'J'.

James Newman (Chairman of the SCR Local Enterprise Partnership)

<signature>

Cllr Eion Watts (Leader Bolsover District Council and Deputy Chair of the SCR Leaders Group / Combined Authority)

1.	<b>Meeting:</b>	<b>Cabinet</b>
2.	<b>Date:</b>	<b>18th September 2013</b>
3.	<b>Title:</b>	<b>Review of Assisted Areas</b>
4.	<b>Directorate:</b>	<b>Environment and Development Services</b>

## 5. Summary

The government is reviewing the UK's *assisted areas* (AA) map in response to the European Commission's 2014-20 regional aid guidelines, which were issued in June.

The guidelines set out the rules for how, when, where and to whom regional aid (a form of state aid) can be granted.

Local enterprise partnership (LEP) areas, including Sheffield city region, are asked to identify a contiguous map of priority wards covering a total population of 80% of current AA coverage (based on 2007-13 maps). We are also able to make the case for retaining 100% coverage, but as population has increased since the 2007-13 maps were agreed, this would still involve a loss of coverage. All Rotherham wards are covered in the 2007-13 map (see appendix), which gives us wider coverage than most of the other districts in the city region (only Doncaster also have full coverage).

This report provides a brief rationale for identifying those wards that Rotherham could be most prepared to lose from its current coverage in order to contribute to any required overall reduction for the city region, although a strong case will be made to retain the current "100%" coverage.

## 6. Recommendations

### That Cabinet:

1. Approve the report and the recommended wards to retain assisted area status and those wards which may lose the status.
2. Agree that, within the overall city region consultation response, the case should be made for Rotherham and the city region to retain maximum coverage

## 7. Proposals and Details

### Background

The *assisted area* (AA) map defines where, under European Union (EU) state aid rules, regional aid can be given to undertakings (typically businesses) to create or protect jobs. Large businesses (over 250 employees) are eligible for assistance only in AAs, whilst small and medium sized enterprises (SMEs) can be given greater financial assistance in AAs than elsewhere. Examples of schemes that draw heavily on the AA map include the regional growth fund and some of the financial incentives associated with enterprise zones.

The AA map defines where the government can spend money on supporting investment (not to be confused with eligibility for EU funding, which is driven by different rules). AA status does not guarantee funding and does not affect the amount of funding regions receive from EU structural and investment funds.

Rotherham has benefited from assisted area status for a number of years in various forms, from fixed capital grants via regional selective assistance and grant for business investment schemes to – more recently - the Regional Growth Fund. We have also benefited from three enterprise zones since 1983. All have played a part in attracting new businesses to the area and helping existing businesses to expand.

Some examples of investment made in Rotherham that would not have gone ahead without the benefit of AA status are:

- *Toyoda Gosei* – Japanese automotive parts manufacturer moved in to the borough with the help of a government grant. The project cost in excess of £30 million and they now employ 480 people.
- *Ventura (now Capita)* - contract call centre operator moved into the Dearne Valley enterprise zone, initially creating 1,900 jobs, but received both financial and practical assistance to expand and now employ around 5,000 people.
- *Advanced Manufacturing Park* – a number of organisations on the AMP have benefitted from financial assistance, both directly from the government and also through Yorkshire Forward, including Rolls-Royce and the University of Sheffield.
- *Beatson Clark* - recently gained a £1.7 million regional growth fund award to enable them to invest in a new furnace etc. as part of a £12 million project. The company would have been seriously considering closure without this assistance.
- *Enterprise Zones (EZs)* – the incentives associated with EZs rely on state aid / AA status and Rotherham has benefited significantly, from the first zone at Parkgate/Barbot Hall /Retail World, through Dearne Valley, which now employs around 10,000 people, to the current EZ sites at the AMP and Templeborough. These and other EZ sites across the city region are generating high interest from potential occupiers.

### Consultation

Government are consulting on a number of elements that will inform the 2014-2020 AA map, which cover the period from 1st July 2014 to 31st December 2020. The consultation is made up of two stages:

- Stage 1 (deadline 30<sup>th</sup> September 2013) - this focuses on principles, indicators, local economic intelligence and priorities for coverage
- Stage 2 (winter 2013/14) - building on stage 1, this will be a consultation on a draft of the revised AA map

LEPs, through the Sheffield city region executive team in our case, have been asked to coordinate the response to stage one, working with local authorities and drawing on consultation/evidence that is informing the city region's emerging economic strategy/growth plan

As part of stage one, local authorities are asked to consider the following issues:

- *Existing coverage – how does this align to economic need, opportunity and spatial priorities? (In terms of economic need, government suggest that low employment/skills and high benefit claimant counts should be the main criteria)*
- *Where relevant, which areas would you be willing to give up and why (if any)?*
- *Where relevant, which areas would you like to see added/changed and why (if any)?*
- *How applying the 80% and 100% coverage (based on previous population coverage) impacts on economic need, opportunity and spatial priorities*

As mentioned above, all Rotherham wards are included in the current map. In order to make a proportionate contribution to achieving a city region map based on 100% of existing coverage (bearing in mind population has increased, so coverage would have to reduce), Rotherham would need to give up one ward. In order to help achieve 80% coverage, we would need to give up four or five wards.

An initial analysis has been carried out to map areas of need, in particular our eleven most deprived neighbourhoods, alongside economic opportunities (i.e. based on sites identified for development in draft *local plan* documents and existing employment clusters). Officers have also considered the need to produce a contiguous area for the city region, with no “doughnuts” (i.e. holes in the middle).

The results can be summarised as follows:

### Wards to retain assisted area status

- *Boston Castle, Rawmarsh, Valley, Maltby, Dinnington, Rotherham East, Rotherham West, Holderness:* wards should be prioritised for AA status as they contain at least one of the eleven most deprived neighbourhoods and also employment or potential employment sites.
- *Hellaby, Rother Vale, Silverwood, Swinton, Wath, Brinsworth and Catcliffe, Wales:* wards should be prioritised for AA status as they contain land with development/employment potential and/or help to provide a contiguous area (and may also contain pockets of deprivation).
- *Sitwell, Wickersley:* these wards would not be priorities for AA status in terms of economic need or opportunity, but they will require AA status in order to avoid creating a “doughnut”.

Wards to potentially lose assisted area status

- *Anston and Woodsetts*: ward is among our least deprived wards and has minimal potential for employment-related development (limited to North Anston Trading Estate)
- *Keppel*: ward has one pocket of deprivation (part of Kimberworth Park) and has no employment land earmarked in the draft local plan, though there may be future development opportunities linked to M1 junction 35.
- *Hoover*: ward has limited potential for employment-related development (though it does include Cortonwood employment area) and is not among our most deprived wards, though it does encompass part of the Dearne Valley, which has development plans linked to the eco vision.
- *Wingfield*: ward has widespread deprivation, including low skills levels in particular, but has very limited scope for economic development (N.B. Wingfield could only lose AA status if either Hoover or Keppel are also removed; otherwise a doughnut would be created).

Overall, Anston and Woodsetts should be regarded as our lowest priority to retain AA status, due to its relative lack of deprivation and limited employment land potential.

Keppel, Hoover and Wingfield wards should also be regarded as a lower priority in terms of retaining AA status and – collectively - would provide something close to an “80% option” for Rotherham. It is noted, however, that the case will be made at city region level to retain or even increase existing coverage based on the region’s relative economic need and growth potential.

Ideally, as part of the second phase of government consultation, a more comprehensive analysis should be carried out, building on the exercise above, to help inform any final decision on Rotherham wards.

## **8. Finance**

The loss of assisted area status could have financial implications in relation to an area’s ability to attract investment and the associated income from business rates, although it is impossible to quantify this.

## **9. Risks and Uncertainties**

If any Rotherham wards lose assisted area status, there is a risk that they will miss out on potential investment, reducing their and the borough’s ability to generate jobs and growth. If we agree to remove wards that have no employment land earmarked for development during the relevant period (2014-20), but may have longer term potential, there is a danger that they will not regain AA status later given that the trend is for coverage to be reduced over time.

## **10. Policy and Performance Agenda Implications**


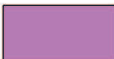



It will be important to use intelligence from deprivation data and the emerging local plan to ensure that we accurately identify the wards that are likely to suffer least from losing assisted area status. This will minimise the impact on performance targets and strategies relating to economic growth.

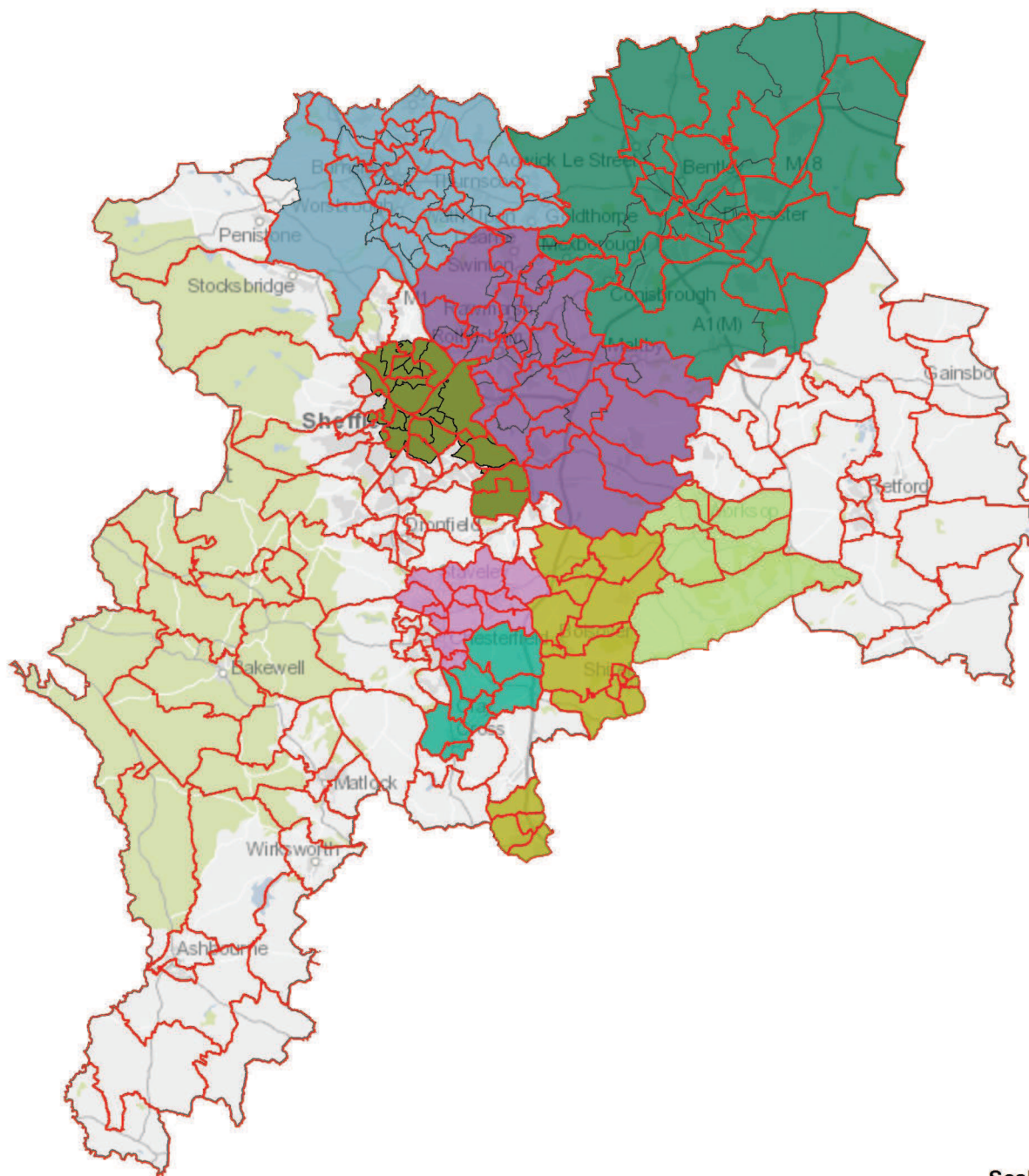
**11. Background Papers and Consultation**

**[Government consultation documents on assisted areas](#)**

**Contact Name:** Michael Holmes, policy officer, x54417, [michael.holmes@rotherham.gov.uk](mailto:michael.holmes@rotherham.gov.uk)



-  Current Wards
-  NE Derbyshire Assisted Wards 2003
-  Chesterfield Assisted Wards 2003
-  Bolsover Assisted Wards 2003
-  Bassetlaw Assisted Wards 2003
-  Sheffield Assisted Wards 2003
-  Doncaster Assisted Wards 2003
-  Rotherham Assisted Wards 2003



Scale: 1:500,000

**Sheffield City Council**  
**Knowledge & Research Team**

*Policy, Partnerships & Research Service*  
*Tel: (0114) 2930239*



<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS</b>
--

1	<b>Meeting:</b>	<b>Cabinet</b>
2	<b>Date:</b>	<b>18<sup>th</sup> September, 2013</b>
3	<b>Title:</b>	<b>Proposals to make a ‘prescribed alteration’ to Thrybergh School and Sports College by a change of age-range from 11-16 to 3-16 by closure of Dalton Foljambe Primary School.</b>
4	<b>Directorate:</b>	<b>Children and Young People’s Services</b>

## 5 Summary:

In September 2011 Thrybergh School and Sports College formed a collaboration (formerly referred to as a soft federation) with Dalton Foljambe Primary School.

Since the collaboration has been established Dalton Foljambe Primary School has been judged good by Ofsted and the school’s outcomes have been above the National Floor Standards. The collaboration is now well established and both schools are requesting the opportunity to enter a more formal arrangement.

Pre-statutory consultation commenced on the 19<sup>th</sup> June following an initial report to Cabinet on the proposed ‘Prescribed Alteration’ to Thrybergh School and Sports College to change its age range from 11-16 to 3-16 by the closure of Dalton Foljambe Primary School and the Foljambe site becoming the Primary education phase annex of the school.

## 6 Recommendations:

**That the Cabinet approve that: -**

- **Statutory Consultation commence on the proposal to make a prescribed alteration to Thrybergh School and Sports College by a change of age-range from 11-16 to 3-16 by closure of Dalton Foljambe Primary School through the posting of a public notice for a six-week period.**
- **That a further report be brought to Cabinet detailing the outcome of the consultation.**

## 7. Proposals and Details

Under the requirements of the ‘School Organisation (prescribed Alterations to Maintained Schools) (England) Regulations 2007 it will be necessary to undertake a full consultation on proposals to make a ‘prescribed alteration’. (confirmed by DfE).

The consultation timeline is outlined in section 11 of this report:

**Thrybergh School and Sports College will continue to convert to Academy status 'as is' during the consultation process and should the proposals be approved, Dalton Foljambe Primary School will then become part of the Academy. Approval of the proposals will then lead to the commencement of legal processes to transfer the land at Foljambe to the Academy Trust by the established lease agreement process.**

The proposal to change the age-range at Thrybergh School and Sports College will mean that the Dalton Foljambe Primary annex would have a Published Admission Number (PAN) of 30 pupils per year group, and pupils will automatically stay on roll at the school in the transition from Year 6 to Year 7 and transfer to the Secondary Education site to continue their education.

The Secondary-aged phase will maintain a Published Admission Number (PAN) of 140 but up to 30 places will automatically be allocated to the 'through School' pupils who will remain on roll. There is no intention currently to increase or decrease either Schools' PAN.

## **8. Finance:**

During the transfer of the land and assets via lease agreement to the Academy Trust there will be a charge for legal processes of approximately £6,500k which the School will need to budget for.

## **9. Risks and Uncertainties:**

The principal ADVANTAGES of amalgamation arise from the continuous education entitlement:

- removal of the need for a formal school transfer process at the end of Key Stage 2;
- a unified management structure with a single school ethos;
- the potential to organise and arrange the staffing structure and to safeguard the staffing establishment when pupil numbers change across the key stages;
- a whole school approach to staff development across the primary and secondary phases;
- more efficient and effective use of resources, especially accommodation, when numbers fluctuate across the infant and junior phases.

The principal DISADVANTAGES of amalgamation are:

- potential difficulties in bringing together two different sets of working practice;
- possible fear of and resistance to change amongst staff, governors and parents;

- different site locations
- potential impact on neighbouring schools

## **10 Policy and Performance Agenda Implications:**

The major theme supported by the proposal is 'to ensure that everyone has access to skills, knowledge and information to enable them to play their part in society'.

## **11. Background Papers and Consultation:**

### **Consultation timeline: -**

Cabinet to agree to Consultation	19 <sup>th</sup> June 2013
Pre-statutory Consultation period Commences including meetings with governors, Staff and parents etc.	
Report to Cabinet	18 <sup>th</sup> September 2013
Publication of statutory notices	27 <sup>th</sup> September 2013
6 week period for representations and objections closes	8 <sup>th</sup> November 2013
LA decision and notification to Secretary of State	December 2013
Implementation	Date to be determined by DfE and by legal transfer of assets to the Academy Trust

Consultation meetings and correspondence on the proposals have been undertaken with the Governing Bodies of Dalton Foljambe Primary school and Thrybergh School and Sports College. Consultation meetings have also been held with Staff and Trade Unions, Parents (families) of the affected schools, local Councillors, local Parish Councils and the Constituency MP.

Additionally consultation and correspondence has also been undertaken with the Governing bodies of neighbouring schools and any other school that may be affected plus the Diocese of any school likely to be affected.

**Contact Name:**

**Helen Barre – Service Lead School Admissions, Organisation and SEN Assessment Service (SAO SENAS)**

**Tel: 01709 822656**

**Email: [Helen.barre@rotherham.gov.uk](mailto:Helen.barre@rotherham.gov.uk)**

**Dean Fenton – Principal Officer School Organisation (SAO SENAS)**

**Tel: 01709 254821**

**Email: [dean.fenton@rotherham.gov.uk](mailto:dean.fenton@rotherham.gov.uk)**

<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS</b>
--

<b>1.</b>	<b>Meeting:</b>	<b>Cabinet</b>
<b>2.</b>	<b>Date:</b>	<b>18<sup>th</sup> September 2013</b>
<b>3.</b>	<b>Title:</b>	<b>Proposed extension of planned places at Newman Special School for children with special educational needs</b>
<b>4.</b>	<b>Directorate:</b>	<b>Children and Young People's Services</b>

## 5. Summary

Further to the Green Paper: Support and Aspiration, and the Children and Families Bill, legislation will be forthcoming in 2014 to promote a new approach to special educational needs and disability (SEND) 0-25. It is intended, amongst other aims, to:

- ensure equal life chances; raise aspirations and improve attainment
- reform provision and significantly improve support to meet identified need
- empower young people and their families and to increase choice where this is not incompatible with the efficient use of resources or education of other children
- plan and commission support across education, health and social care.

In Rotherham, the findings of the Autism Spectrum Condition Scrutiny Review resulted in a number of recommendations for planning and developing specialist provision. One key outcome was:

- Proposals should be brought forward to build capacity locally, with the aim of keeping funding within Rotherham and reducing out of authority placements

The DfE School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2007 require a formal pre statutory and statutory process where expansion is above 10% of an existing Special school roll or there is a change of age range or type of SEN. The proposed annexe to Newman Special School is above this threshold.

## 6. Recommendation:

- **It is recommended that pre statutory consultation should commence on the proposal to expand provision for children with SEN initially by 22 places from April 2014 and to 30 places from September 2014.**

## 7. Proposals and Details

The proposal to be considered and further consulted upon is:-

The ASC Scrutiny Review reported that the number of children and young people with a diagnosis of ASD is approximately 1:60 in the 0-19 age range. This is well above the regional and national range (1246 as at June 2012). Rotherham has a range of provision across the developmental continuum and the majority of children have their needs met within mainstream settings, attached resources or special schools for children with a significant learning difficulty. However, an analysis of placements, including out of authority placements, has concluded that there remains a gap in provision for:

- children and young people with significant and complex learning, social, emotional and communication needs
- children who may experience a neuro developmental condition (for example social and communication difficulties, ASC)
- children with a high social and emotional vulnerability including trauma, loss and unmet attachment and relationship needs
- children within the broad cognitive range from mainstream ability to mild moderate learning difficulties
- children who are highly likely to require on-going assessment and intervention from health services (CAMHS, therapy services) and social care/ early intervention and support
- children who are experiencing high levels of anxiety and are currently educated other than at school for example by parents or the LA's home tuition service and where a gradual, supported reintegration into an appropriate peer group and environment is considered by all to be a positive next step forward

This also reflects feedback from families, schools and services. However, the proposed provision would not be exclusive to children who have a diagnosis of ASC.

It is proposed initially to expand the numbers on roll at Newman Special School from 90 to 110, an increase of 20 planned places for children with a Statement of Special Educational Needs naming that school in Part 4 of a Statement of SEN. In addition, it is proposed to offer 2 'assessment' places (total = 22 places) for children who are not in receipt of a Statement of SEN but where professional advice indicates that the child / young person requires an immediate placement in specialist provision whilst a statutory education assessment is underway. Local Authorities can refer, exceptionally, to a specific provision within the 2002 SEN Code of Practice (Paragraph 7:3-2) where all involved, including parents/carers, are in agreement to proceed on this basis. Thereafter the provision will expand to accommodate 30 children.

It is proposed that the Head teacher of Rotherham's Milton Special School, a specialist school for Communication and Interaction, will be seconded as a consultant Head teacher for the equivalent of 3 days per week for 2 years working

alongside the Head teacher of Newman Special School where the children with a Statement of SEN would be on roll. It is proposed that there will be a high adult: pupil ratio together with targeted involvement of a multi-disciplinary team including educational psychologists, speech and language therapists and mental health / youth workers. Children and young people may benefit from established links to mainstream schools and to post 16 pathways and options. It is anticipated that this provision will work closely with other local provision for vulnerable children, including those with ASC, and provide a resource for other teaching, support staff and staff in Local Authority support services.

## **8. Finance**

It is proposed to modify the existing building adjacent to Newman Special School which will become vacant as a result of the restructure of Alternative Provision. There is no requirement for a significant capital build project however internal and external refurbishment and modification will be required to create an environment suitable to meet the needs of our vulnerable children and young people with significant and complex learning, social, emotional and communication needs.

It is proposed that there will be 4 separate teaching and learning groups: one aged 10-12 years; two aged 12-16 and one aged 16+. In addition, there will be other required spaces for individual and smaller group withdrawal to deliver targeted, bespoke programmes and therapeutic intervention. The environment will need to be developed further in conjunction with the CYPs Capital Project Team, Architects and the school. A site survey has been completed and it is estimated that £150k from Capital maintenance budget (allocated to CYPs from the Department for Education DfE) will be required for the refurbishment project.

Funding for the operation of the provision will be under the DfE revised funding arrangements for education which came into effect from 1<sup>st</sup> April 2013. There will be an allocation of £10k per planned place, plus Element 3 top up funding per child at an agreed rate, from the High Needs Block budget. It should be noted that this will be a delegated budget which will be managed by Newman School and Governing Body.

The funding will form part of the School delegated budget as such the management of the school budget will continue to be in accordance with Rotherham School Finance Regulations.

It is anticipated that the development of this provision will realise savings on out of authority expenditure and improve the local offer within Rotherham.

## **9. Risks and Uncertainties**

There are always risks and uncertainties when school place provision is considered since future pupil numbers are based on a combination of current knowledge of needs, gaps in provision and estimations of future need. Local Authorities however

are obliged to provide sufficient places, promote diversity and increase parental choice.

The timetable for a pre-statutory and statutory phase is set out below. Formal objections may be lodged during the representation period following the publication of the statutory notice. A final decision should be determined by the Decision Maker within 2 months from the end of the representation period. If this fails to be done, then the matter is referred to the Schools Adjudicator for decision.

## **10. Policy and Performance Agenda Implications**

The major theme supported by the proposal is 'to ensure that everyone has access to skills, knowledge and information to enable them to play their part in society'.

**The proposal meets the aims of Transforming Rotherham Learning and the Rotherham Mission for all its children and young people. The proposal has the support of representatives from Learners First who are working in conjunction with Local Authority Officers and an external consultant to finalise a review of specialist provision in Rotherham.**

## **11. Background Papers and Consultation**

Consultation meetings have already been undertaken with the Governing Body of Newman Special School and representatives from Milton Special School and both are in agreement to proceed with the proposed provision. Agreement to proceed has also been received from the 5 head teachers of Rotherham's 6 Special Schools in Rotherham and a sub group of the Inclusion Strategic Steering Group which was set up to review alternative provision and complex needs provision in Rotherham.

As part of the initial expansion of 20 places and 2 assessment places, it is proposed that local consultation takes place with all schools in September and with Parent/Carers through the Parent/Carers' Forum and other Forums where parents and carers are represented. This will form the pre statutory consultation phase of the proposed larger expansion to 30 places. Thereafter the requirements of the statutory phase will be adhered to.

### **Consultation timeline for the proposed expansion:**

Members to  
agree to consultation

18<sup>th</sup> September 2013

Pre statutory consultation period



Report to Members seeking approval to proceed to Statutory Consultation phase	13 <sup>th</sup> November 2013
Publication of statutory notices	22 <sup>nd</sup> November 2013
4 week period for representations and objections closes	20 <sup>th</sup> December 2013
Members to determine LA decision	January 2014
Implementation	April 2014

There are no other linked proposals to consider.

## **12 Contact Name**

**Helen Barre (Service Lead - School Admissions, Organisation and SEN Assessment Service)**

**Tel: Extension – 22656**

**Email: [Helen.barre@rotherham.gov.uk](mailto:Helen.barre@rotherham.gov.uk)**

**Dean Fenton (Principal Officer – School Organisation SAO SENAS)**

**Tel: Extension – 54821**

**Email: [dean.fenton@rotherham.gov.uk](mailto:dean.fenton@rotherham.gov.uk)**

ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET
---

1.	<b>Meeting:</b>	<b>CABINET</b>
2.	<b>Date:</b>	<b>18<sup>th</sup> September 2013</b>
3.	<b>Title:</b>	<b>Proposed new Central Primary School.</b>
4.	<b>Directorate:</b>	<b>Environment &amp; Development Services</b>

**5. Summary:**

There is an unprecedented increase in the numbers of pupils needing to access schools places within the authority. As a consequence of the increasing pressure on school places, it is necessary to increase the number of school places in the authority.

There is particular pressure for school places within the central catchment areas of Rotherham that is Eastwood and St Ann's.

In response to this pressure a bid was submitted by the Council to the Department for Education (DfE) through their Targeted Basic Need Programme to fund a 1.5 form new central primary school (ages 3 to 11) to be located within the central catchment area of the authority.

The Council was successful with their bid and has secured a grant of £3,216,065 plus £150,000 for project support funding. The estimated cost of the new school would be c£5.2m. The additional £2m will need to be funded by the Council.

The times scales for the development are a two year programme of design and construction with an anticipated opening at the start of the 2015/2016 school year.

This report requests the Cabinet approve the recommendations as detailed in Section 6 of this report.

**6. Recommendations:**

- **That the report is received and approval given for the Council to fund the additional £2m utilising Prudential Borrowing over a payback period of 60 years.**
- **Approval is given to reflect the pressure this additional borrowing will create in the Council's capital financing budget.**
- **Approval is given to the Eldon Road allotment site for the proposed location of the new Central Primary School.**
- **Approval is given for the Council to negotiate the purchase of the Donfield Tavern and associated land.**

## **7. Background**

There is an unprecedented increase in the numbers of pupils needing to access schools places within the authority. As a consequence of the increasing pressure on school places, it is necessary to increase the number of school places in the authority.

There is particular pressure for school places within the central catchment areas of Rotherham that is Eastwood and St Ann's. A "snapshot" count taken on the 19<sup>th</sup> August 2013 showed there to be 62 children without a school place in the authority of which 25 were within the Eastwood and St Ann's catchment area.

Additionally Eastwood and St Ann's is an area of deprivation and with a high proportion of EU migrants. A study of the census data shows that the population of the area has grown by 7.8% compared to the Rotherham average of 3.7% from 2001 to 2011. The census data confirms that the BME population is greater in this area than the rest of Rotherham, 34.2% compared to 8.1%. The 0 to 4 age population percentage of the Eastwood area is also greater than the Rotherham average, 11.8% compared to 6.1%. Birth projections also show an increase which substantiates the census data and in addition the total admission number is regularly below the births in the area.

Further places are currently being created at Herringthorpe Infant and Junior Schools, which is able to be expanded by 20 pupils per year group. This will increase the published admission number in the area to 514, which is still below the number of births which is 527 in 2013/14 rising to 585 in 2014/15.

In response to this pressure the Council submitted a bid to the DfE Targeted Basic Need Programme to fund a new 1.5 form entry Primary school (ages 3 to 11) to provide a long term solution to pupils needing to access school places within the central catchment areas of the authority. The estimated cost of providing this provision was c£5.2m.

On the 18<sup>th</sup> July 2013 the Council was informed that the bid had been successful.

On the 20<sup>th</sup> August 2013 the Education Funding Agency (EFA) informed the Council that a provisional funding grant of £3,216,064 had been awarded with a further £150,000 project support funding. A further £2m would need to be funded by the Council.

The EFA required a declaration of funding which required the Council to confirm they would provide the additional £2m should the project proceed. This was approved by the Chief Executive under delegated powers and signed by the Council Section 151 Officer and returned to the EFA on the 23<sup>rd</sup> August 2013.

As part of a initial desk study, six potential sites were considered with the Peck House/Backer Electric site being chosen as the preferred site. This site

was used as the location of the new school for the bid to the DfE Targeted Basic Need Programme.

However, following discussions with the owners of the Peck House/Backer Electric site, the difference on the value placed on the site by the owners against that valued by the Council Valuation Surveyor where irreconcilable and as such it was decided not to proceed further with the purchase of the Peck House/Backer Electric site.

Following a site meeting on Eldon Road with Ward Members for Rotherham East, the Cabinet Member for Children and Young People Services and the Strategic Director for Children and Young People, it was suggested that Eldon Road allotments could provide the site for the new school. Appendix 1 shows a plan with the allotment site marked as "A" which equates to approximately 11,300M<sup>2</sup> in area.

Also on the plan there is an area marked as "B" which is the site of the empty (derelict) Donfield Tavern Public House and equates to 1,450M<sup>2</sup> in area. This would provide an entrance to the proposed school site and appropriate parking. The site is owned by a private landowner and the Council Corporate Land and Property Team is to approach the owner to negotiate a possible sale.

Under the Allotment Act 1950, a Local Authority is required to maintain an "adequate provision" of land and the Local Authority would need to seek approval of the Secretary of State for Environment, Food and Rural Affairs for the land to be allocated to alternative use. An application is being prepared to the Secretary of State to request the reallocation of the allotment land to education.

The Council has accepted the DfE Academy presumption process that as a new school it will be an academy. The Council has advertised for expressions of interest from potential sponsors with a closing date of the 26<sup>th</sup> September 2013. As of the 10<sup>th</sup> September 2013, expressions of interest have been received from Aston Academy in Rotherham, Heath Park (Central Learning Partnership Trust) Wolverhampton and the EMLC Trust, Milton Keynes.

The times scales for the development are a two year programme of design and construction with an anticipated opening at the start of the 2015/2016 school year.

## **8. Finance**

The project has received a provisional funding grant of £3,216,064 with a further £150,000 project support funding. The grant funding covers building and site costs associated with the new build, as well as abnormals, professional fees, fixtures, fittings, ICT infrastructure and ICT hardware. This funding will not cover the preparation of the site in terms of flood defence or the negotiation or the purchase of Donfield Tavern and associated land.

To achieve a quality provision additional funding will be required from the Council and this has been estimated at £2m.

There are three funding options for the £2m, these are:

- *CYPS Capital Programme* – Projected new capital funding for the financial years 2014/15 and 2015/16 equates to £7.66m based upon DfE funding:

Basic Need	2014/15	£1.46m - Confirmed DfE funding
Capital Maintenance	2014/15	£2.50m - Estimated DfE funding
Basic Need	2015/16	£1.20m – Estimated DfE funding
Capital Maintenance	2015/16	£2.50m - Estimated DfE funding
		<u>£7.66m</u>

Basic Need and Capital maintenance are not ring fenced and can be spent wherever the priorities are deemed to be.

Consequently for the financial years 2014/15 and 2015/16 the CYPS Capital programme has committed to the following:

£3.23m – Primary expansions  
 £0.30m – Support to schools/secondary schools  
£4.00m – Capital maintenance programme  
£7.53m

The £2m cannot be funded from primary expansions as this relates to the projected need for school places which is a statutory requirement. The other large commitment is the £4m for the Capital Maintenance programme. If the £2m capital funding for the new central primary was taken from the Capital Maintenance programme this would leave only £2m capital maintenance over two years to in excess of 90 schools, any of which could need major maintenance work and could require other essential capital programme works to be deferred or cancelled indefinitely

- *CYPS pay for supported prudential borrowing* – Two initial proposals have been considered by Finance. The repayments are based on the annual payments being calculated on a reducing principal balance basis. The options are:

*Borrowing £2m with a pay back over 25 Years* – this is based upon an annual repayment of £80k per annum. This equates to borrowing £2m with a total interest payment of £1.3m resulting in an overall payment of £3.3m

*Borrowing £2m with a pay back over 60 Years* – this is based upon an annual repayment of £33.333k per annum. This equates to borrowing £2m with a total interest payment of £3.050m resulting in an overall payment of £5.05m

With the CYPS supported prudential borrowing option there will be a serious consequential effect on the CYPS revenue budget as there is no allowance for this within the CYPS financial medium term strategy.

- *Centrally supported prudential borrowing* – This figures quoted above are the same but as this scheme is a corporate priority the borrowing cost would be borne by the Council's capital financing budget. In common with the CYPS revenue budget there is currently no allowance to absorb this new cost. As such the cost of the £2m borrowing will need adding to the Council's base budget.

Taking account of all these factors, funding the borrowing over a 60 year period via the capital financing budget is the preferred option.

## **9. Risks and Uncertainties:**

As part of the Targeted Basic Need Programme application the Council must demonstrate and evidence a range of potential sponsors for the Academy. The funding would be dependant upon approval by the Secretary of State for Education that the Sponsor for the Academy was of a high quality. Because of the timescales this would require the Council to progress procurement of the new build at risk that the Sponsor was not deemed to be of a high quality and the funding could be withdrawn.

The three academy trusts that submitted expressions of interest to be the Academy sponsor have been approved by the DfE as acceptable and of a quality to proceed with the project.

There is a statutory requirement that the Council provides a school place for a child. If the project were to fail then the Council would be unable to provide the school places and would be failing in its statutory requirement.

The preferred site is currently an allotment. Under the Allotment Act 1950, a Local Authority is required to maintain an "adequate provision" of land and the Council would need to seek approval of the Secretary of State for Environment, Food and Rural Affairs for the land to be allocated to alternative use. An application is being prepared to the Secretary of State to request the reallocation of the allotment land to education. If this application were rejected then the DfE could withdraw the grant funding for the project.

The site is located on a flood plain and approval will be needed from the Environment Agency if the project is to proceed. An Exception Test is currently being prepared to demonstrate that:

- the development provides wider sustainability benefits to the community that outweigh flood risk, informed by a Strategic Flood Risk Assessment where one has been prepared; and
- a site-specific flood risk assessment demonstrates that the development will be safe for its lifetime taking account of the

vulnerability of its users, without increasing flood risk elsewhere, and, where possible, will reduce flood risk overall.

If the Environment Agency were to reject the Exception Test the planning approval would be refused and the DfE could withdraw the grant funding for the project.

#### **10. Policy and Performance Agenda Implications:**

The major theme supported by the forward planning and provision of school places is 'to ensure that everyone has access to skills, knowledge and information to enable them to play their part in society'. The expansion of school places would enable more parents to access their first preference school for their child and therefore increase that performance indicator.

#### **11. Background Papers and Consultation:**

Background Papers include:

- Children & Young People's Plan
- Transforming Rotherham Learning Plan
- Briefing to the Leader 5<sup>th</sup> February 2013 - Proposal to manage increasing pressures on school places with the Rotherham Central catchment area
- Cabinet Report, 24<sup>th</sup> April 2013, School Place Planning.
- CSART Report, 24<sup>th</sup> April 2013, Proposed new central primary school
- Targeted Basic Need Programme – Briefing to department management and Cabinet Member for CYPS
- Report to Chief Executive 22<sup>nd</sup> August 2013 – Approval for the Authority Section 151 Officer to sign the Education Funding Agency declaration for funding

**Contact Name: Robert Holsey, CYPS Capital Programme Manager.**  
**Internal Audit and Asset Management, Environment & Development Services**  
**Tel: 01709 823723 Email: [robert.holsey@rotherham.gov.uk](mailto:robert.holsey@rotherham.gov.uk)**



Appendix 1 - Eldon Road Allotments - Site A and Donfield Tavern - Site B





<b>ROTHERHAM BOROUGH COUNCIL – REPORT TO Cabinet</b>
--

<b>1.</b>	<b>Meeting:</b>	<b>Cabinet</b>
<b>2.</b>	<b>Date:</b>	<b>18 September 2013</b>
<b>3.</b>	<b>Title:</b>	<b>Child Sexual Exploitation Update</b>
<b>4.</b>	<b>Directorate:</b>	<b>CYPS</b>

**5. Summary:**

Cabinet has considered two reports on the 28th June and the 3rd July on the findings of the Home Affairs Select Committee. A briefing for Members was sent out on the 4<sup>th</sup> July. As reported separately, RMBC is committing to an Independent Inquiry of historic CSE cases. The terms of reference for this will be brought separately to Cabinet.

**6. Recommendations:**

- For Cabinet to note the information about the reviews and enquiries which will be taking place over coming months, and the terms of reference for the internal RMBC inquiry announced by the Leader on 4<sup>th</sup> September 2013.
- For Cabinet to note the work that has been carried out on awareness raising, recognition of the signs of CSE and referrals to children's social care and the CSE team since April 2013.
- For Cabinet to note the current live operations that are taking place and the potential publicity related to these.

## **7. Proposals and Details:**

### **i) Reviews and enquiries**

Members may already be aware that there are a number of reviews and enquiries which will be taking place over coming months to examine historic allegations of abuse; and the effectiveness of current arrangements.

These include:

- Work already commissioned from Barnardo's on CSE due to start on 25<sup>th</sup> and 26<sup>th</sup> September, which examines the current multi-agency model of working and effectiveness of work on CSE in the borough
- This will inform the Diagnostic led by the incoming Chair of the LSCB (Steven Ashley) on the 17<sup>th</sup> and 18<sup>th</sup> October, of the safeguarding of children and young people involved in CSE
- Operation Clover, which is the South Yorkshire Police investigation into specific historical cases dating back to 1994 to 2005
- An independent inquiry to be commissioned by RMBC into historic child exploitation in Rotherham, outlined in the formal statement made by the Leader on 4<sup>th</sup> September. The terms of reference for this will be reported to Cabinet on 18<sup>th</sup> September
- Three enquiries announced by PCC Shaun Wright on 29.8.13 which are:
  - Her Majesty's Chief Inspector of Constabulary to conduct a thorough review of the process and structures currently in place in South Yorkshire Police to investigate allegations of CSE
  - The Chief Constable to set up an additional team of detectives and other specialists to investigate allegations of historic child abuse in South Yorkshire
  - The Chief Crown Prosecutor to conduct a similar review of all those historic cases in which the Crown Prosecution Service was involved in considering whether charges should be brought

### **ii) Current live operations**

Details of the current operations which can be shared are below; however the details of live investigations are confidential:

- Operation K ALPHABET – 16 month long intelligence led investigation, reported in the Advertiser. 8 suspects charged with 71 offences against children. 2 individuals have 42 and 21 charges between them
- Operation Carriage – operation targeting Prom season and concerns around ensuring child safeguarding

- Operation Klan – two Doncaster men on remand for a range of offences. A number of victims identified, some of whom are from Rotherham
- Operation Clover – this is a joint investigation linked to the recent story in the Times and allegations of abuse from 1994 to 2005
- 4 cases on police bail at the moment
- 2 cases pending court, one being charged for 40 offences including rape, sexual activity with a child; the other being charged with two rapes of a child under 13 years
- One conviction since April, Sam Bradley, Teaching Assistant. Pleaded guilty at court, received 3 years

**iii) Actions to prevent CSE and protect children and young people carried out to date in 2013/2014:**

- 55 Contacts where CSE is one component of the child's vulnerability relating to 50 children
- 44 Referrals where CSE is one component of the child's vulnerability relating to 43 children
- 38 Initial Assessments completed by CSE team with a further 7 ongoing
- 15 Core Assessments completed by CSE team with a further 9 ongoing
- 9 Schools engaged since April, over 872 pupils involved
- 85 Cases open to social care, 6 of which are boys
- 74 cases are currently open to the parenting service
- 51 Joint investigations
- 58 Police referrals into PPU since April 2013 (42 in 2012)
- 20 Abduction notices served
- 15 Ward Members trained ( only 3 Members not undertaken training)
- 24 Neighbourhood Watch Co-ordinators trained
- 11 Parish Councillors trained
- Training planned for Partnership and Young People's Police Officers

- Special Constables attending CSE team for training and awareness
- Training planned for School Governors in the Autumn
- In the six months from April to September 2013, Safe at Last received a total of 147 referrals for 68 individuals, of which 28 were first-time referrals. Safe at Last conducted 25 return interviews, although this number may increase when the final numbers for the 6 month period are completed. Safe at Last carried out 130 follow up visits with 23 individuals, some of whom were new to the project, some already known to the project
- 3 young women and 8 families supported by GROW. – 6 through parenting work and 5 through direct work with young people aged 17-25
- The AWARE project run by GROW worked with 4 families and 6 young people who had experienced CSE
- 126 staff have undertaken LSCB multi agency training
- Rotherham Council and South Yorkshire Police have been working with secondary schools across the borough to help staff and students understand what CSE is, how to protect children and young people from it, and how to report concerns. The Team Manager from the CSE Team has attended Schools Forum to work with school representatives responsible for PHSE (Personal Social and Health Education) understand CSE and provide support and guidance to parents, carers and pupils. Many schools have a CEOP (Child Exploitation and On-Line Protection) Co-ordinator who works with students and parents/carers
- Rotherham has 20 hotels, guest houses and bed and breakfasts listed with environmental health. These are all being visited next week to promote Operation Makesafe. This is where staff in such establishments are trained in what to look for, what to do and how to report CSE
- a contact is the first point of contact with social care services from someone making an enquiry or wanting to report a concern
- a referral is a contact that requires further investigation and assessment to see whether a child or their family needs help from social services
- an initial assessment is a brief assessment of each child referred which includes relevant information from a number of agencies
- a core assessment is an in-depth assessment which looks at the detailed needs of the child, and whether their parents or carers have the capacity to respond to those needs. It involves other agencies who will provide information about the child or parents and contribute specialist knowledge.

NB – A number of referrals and cores were allocated to locality teams and these are not included in the CSE team figures above.

Other activities to support CSE prevention and protect children and young people

**iv) Multi-agency groups overseeing CSE strategy and implementation**

- The multi-agency GOLD Group has become the CSE sub-group of the Local Safeguarding Children Board and is responsible for the overview and delivery of the CSE Strategy and Action Plan. It has revised terms of reference to reflect the strengthened role of the group.
- The multi-agency Silver Group has become the operational group dealing with specific investigations and intelligence. It has revised terms of reference and reports to the GOLD group.

**v) Enhancing the CSE team**

- Police and Crime Commissioner funding identified for GROW and Safe at Last enabled enhancement of the CSE team capacity through parenting and return home visits
- Barnardo's have recruited a social worker to the CSE team and they start mid-September
- Sexual Health Nurse being recruited to the CSE team through Public Health/TRFT- interviews on 13<sup>th</sup> September.
- Administrative support identified for CSE team began in September through GROW.
- Awareness raising session at Eastwood Funfest in August
- Awareness raising session being planned for the autumn, through local Members in the Wickersley ward.
- Barnardo's Practice review planned for 25<sup>th</sup> and 26<sup>th</sup> September
- LSCB Chair leading on a CSE diagnostic on the 17<sup>th</sup> and 18<sup>th</sup> October.

**8. Finance:**

The CSE team total budgeted expenditure for 2013/ 2014 is £ 274,086. This is funded by £45,208 DSG, £50,000 PCC, and £178,878 Revenue.

**9. Risks and Uncertainties:**

Ofsted are bringing in a new framework for inspection which will go live from November this year. There will be a strand of this inspection looking at CSE. In addition, HIMC are undertaking thematic CSE reviews of police forces and the Police and Crime Commissioner has asked that South Yorkshire Police be reviewed.

**10. Policy and Performance Agenda Implications:**

The multi-agency Performance Framework which accompanies the CSE Strategy and Action Plan has been simplified to ensure that accurate, timely information about key aspects of CSE and safeguarding children and young people is collated and used to inform practice. New government guidance on the collection of data relating to CSE is anticipated and will be incorporated in the performance data; which will be presented to members as part of the regular updates on performance.

**11. Background Papers and Consultation:**

Reports to Cabinet on 28<sup>th</sup> June and 3<sup>rd</sup> July.

Members briefing on 4<sup>th</sup> July.

LGA publication, June 2013 'How councils are raising awareness of child sexual exploitation'

**Contact Name :** Joyce Thacker,  
Strategic Director, Children and Young People's Services, RMBC  
Joyce.thacker@rotherham.gov.uk

Jason Harwin,  
Chief Superintendent, South Yorkshire Police

<b>ROTHERHAM BOROUGH COUNCIL - REPORT TO MEMBERS</b>
--

<b>1.</b>	<b>Meeting:</b>	<b>Cabinet</b>
<b>2.</b>	<b>Date:</b>	<b>18<sup>th</sup> September, 2013</b>
<b>3.</b>	<b>Title:</b>	<b>Terms of Reference for the Independent Inquiry into Previous Cases of Child Sexual Exploitation.</b>
<b>4.</b>	<b>Directorate:</b>	<b>Chief Executive</b>

## **5. Summary**

1. The Council assisted the Home Affairs Select Committee Inquiry into Localised Grooming in January of this year. The Council welcomed the report published in June. It is a substantive body of evidence that should be used by all agencies to improve the way child protection services are provided.
2. On the 29<sup>th</sup> August the Police and Crime Commissioner announced three inquiries into matters relating to child sexual exploitation. The Terms of Reference of these inquiries are not yet available.
3. Members will be aware there has been substantial media coverage during the last 12 months regarding young people from within Rotherham who have been sexually exploited in the past. The cases referred to make very distressing reading. The reporting of the cases gives a very stark message that things went badly wrong.
4. At its meeting on 4<sup>th</sup> September the Cabinet resolved to commission an Independent Inquiry into historic child sexual exploitation cases in Rotherham and required that the Terms of Reference and approach to be brought to this Cabinet meeting.
5. The Terms of Reference for the Inquiry are attached as Appendix 1 and process for appointing a person of appropriate calibre to undertake the Inquiry is set out in the report.

## **6. Recommendations**

### **That Cabinet:-**

- 1) Endorses the Terms of Reference for the Independent Inquiry and the process for appointing a person of appropriate calibre to undertake the Inquiry. Should the person appointed suggest amendments to the Terms of

Reference, the Chief Executive has the delegated authority to agree any such amendments (with any changes being reported to Cabinet).

- 2) Authorises the Chief Executive to make appropriate budget provision for the Independent Inquiry.
- 3) Receives a further report confirming the appointment of the Independent Person and Inquiry costs when known.
- 4) Receives the Inquiry report once finalised, together with recommendations on action the Council proposes to take in response to the findings of the Inquiry.
- 5) Agrees that both the Inquiry report and the Council's response be made public in a timely way following its completion.



## **7. Proposals and details**

### **Background**

As it is essential that the Council progresses the Inquiry as soon as possible the report needs to be considered as a matter of urgency.

In June the Home Affairs Select Committee (HASC) published a report into localised grooming. It represents a substantive body of evidence and one of the few in-depth studies that has ever been carried out regarding this particular form of child sexual exploitation. The report contains a series of recommendations that are intended to catalyse all agencies involved in the protection of young people to improve their services. The report did not make comfortable reading for this Council and delivered a similar stark message about the past failures of our services to protect young people in our town from harm.

The Council welcomed the report. The Council assured the HASC that it had improved its services since that time but knew more still needed to be done and was committed to further improvements. The HASC report was seen as one of the means that would help the Council to accelerate its improvement journey. The recommendations have since been incorporated within the Local Safeguarding Children's Board (LSCB) action plan and are being implemented.

One of the key messages in the HASC report, and which also features in other documents, is the unpalatable reality that child sexual exploitation exists in every town and city. The Council has been concerned that the recent coverage regarding past inadequate performance would deter young people and families that need help today from contacting the Council to express concerns, share evidence or make disclosures about child sexual exploitation.

For this reason the Council has been anxious to ensure that people understand we genuinely believe things have improved. No-one would want the unintended consequence of the focus on past cases to be that young people and families who need help today do not trust the Council enough to tell us they need our support.

The Council has to be careful that delivering a message about current service quality is not interpreted to mean we do not care about the people we have let down in the past. We need to demonstrate through our words and actions this is not the case.

The Council apologised publicly through the HASC and our sentiments are sincere. Our services were not good enough, we let young people and families down and we do not want to do so again. The Independent Inquiry will help to give a clear explanation of what went wrong and what is needed to ensure any failings identified are never repeated.

It is public knowledge our services for safeguarding young people were placed in Government Intervention in December 2009. It was at that point there was wide public knowledge that our services had failed and we started work with others to make improvements.

There has been substantial media coverage during the course of the last 12 months regarding serious cases of child sexual exploitation that have occurred within Rotherham in the past. The reported cases have generally covered the period 1999 to 2005.

Whilst the reported cases have ensured the victims are anonymous they relate to real experiences of young people who were, or still are, living in our town. The reporting of the cases cannot fail to have deeply disturbed anyone reading them and conveys a simple and stark message: things went badly wrong and young people were failed by agencies that ought to have been protecting them with catastrophic consequences.

### **Proposal**

It is proposed that the Council commission an Independent Inquiry into past cases of child sexual exploitation within Rotherham. The Inquiry should cover the period 1997 to 2013 and should be conducted in two phases. The detailed Terms of Reference are attached at Appendix 1

There are some important underpinning principles:

- The Inquiry will be truly independent and the Terms of Reference demonstrate this.
- It will need to be undertaken by someone with the right skills, experience, ability and standing to immediately command public confidence.
- The findings will represent the bona fide opinion of the report author and will be endorsed as such.
- The Inquiry will tackle head-on the suggestions made by the media and other stakeholders that appropriate action has not been taken by agencies as a consequence of concerns about racial or ethnic sensitivities.
- The report will make recommendations that can be used by the Council and others to ensure any failings identified in the past are not repeated.
- The Council will be transparent in all of its actions and the Inquiry report and the Council response to it will be made public.

The dates for the Independent Inquiry extend beyond the time period during which the media has reported cases of child sexual exploitation. In 1997 the Council established its Risky Business team and one of the purposes of this at the time was to offer a preventative service to work with young people and keep them safe. This is considered to be an appropriate starting point in understanding when and how awareness of child sexual exploitation developed in the Council and other agencies. The earliest cases reported in the media will have been current at this point in time. It will provide opportunities for the Inquiry to determine the type of information coming forward and the way in which service delivery was responsive to it.

We know that child sexual exploitation of many differing types continues to take place today and agencies, working with parents and citizens, must be vigilant in combating it. Importantly the Council must demonstrate that it has improved its preventative and protection responses and that they are stronger today. Consequently, whilst this post-dates any of the cases reported in the media by several years, the end date for the Inquiry will be January 2013.

The Council has approached the Local Government Association (LGA) to advise on the availability and suitability of individuals of the right calibre, standing and experience to undertake the Inquiry. The LGA has agreed to commission the services of the relevant individual on behalf of the Council, subject to the Council agreeing the budget and underwriting it. This would further demonstrate the independence of the inquiry process.

The Inquiry has as its main focus finding out what went wrong and ensuring that the right things are put in place so they can never happen again. It is not intended to be a disciplinary investigation. The Council will need to consider the findings of the report and its response to it. If there is the need for follow-up action by the Council of any type, it will be addressed in the response to the Inquiry report.

Members should not under-estimate the challenges attached to undertaking this Inquiry. It is examining matters across a considerable time-span and whilst the Council's paper based records are good, as is inevitably the case with large organisations, many people at all levels of the organisation who had involvement or influence in some of these events will have moved on. Whilst current members and officers will be required to support the Inquiry, people who no longer work for the Council will be asked to do so on a voluntary basis.

### **Other Matters**

The Council has improved its services for safeguarding young people following Government Intervention in December 2009 and is able to demonstrate this. An Improvement Board operated in Rotherham throughout the whole of 2010 and the early part of 2011. It designed and oversaw the implementation of an improvement plan, the Council was taken out of intervention in 2011 and there have been subsequent Ofsted inspections in 2010, 2012 and 2013 and a Peer Review in January 2011 demonstrating sustained improvement.

However, no single agency acting alone can protect young people from harm. Prior to the most recent series of media articles in August of this year and decision for an Independent Inquiry at the Cabinet meeting on 4<sup>th</sup> September, the Council already had plans in place for Barnardo's to undertake a multi-agency review of child sexual exploitation and Missing from Home Services within Rotherham. This work is imminent. The work will continue and members should note that the newly appointed Chair of the LCSB, who worked on Operation Yewtree and therefore has a strong background on child sexual exploitation, will play a pivotal role.

The work can be used to inform the Independent Inquiry, but it will not duplicate it as the main focus is the effectiveness and quality of inter-agency working. The work will

provide a further strand to enable the Council to continue to drive service improvement.

## **8. Finance**

Financial provision will need to be made within the Council's revenue budget to fund the costs of the Inquiry. The full costs cannot be determined until the Terms of Reference have been shared with an appropriately qualified person and a fee agreed. Costs will be reported into Cabinet when known

## **9. Risks and Uncertainties**

The usual risks relating to delivery of the Inquiry report on time and to an agreed budget will be managed through usual performance management and governance arrangements. The Inquiry report may make recommendation for action both by the Council and other agencies and the nature and scale of this is currently unknown. It is important the Inquiry is undertaken in a way that is responsive to the wishes and needs of young people that may have been the subject of sexual exploitation in the past. To support this the Council is committed to transparency with regard to the enquiry and the publication process. The Council has stated the intention to be transparent in its dealings which should be seen positively.

## **10. Policy and Performance Agenda Implications**

This links directly to Corporate Plan priorities relating to the protection of vulnerable individuals, and will impact on all parts of the borough

## **11. Background Papers and Consultation**

## **12. Contact: Martin Kimber, Chief Executive**

**Appendix 1**

**Rotherham Metropolitan Borough Council  
Inquiry into Child Sexual Exploitation, 1997 – 2013  
Terms of Reference**

That the Inquiry covers the period from 1997 to January 2013.

**Basis**

- 1) That it be conducted by an independent person with appropriate skills, experience and abilities who has not previously been employed by or undertaken work, either directly or indirectly, for Rotherham Metropolitan Borough Council, nor is a relation of any member or officer of the Council past or present. Prior to appointment the independent person will be required to sign a declaration to that effect. The person should be on a list of reputable persons recommended to the Council by the Local Government Association.
- 2) That the author is able to commission such specialist support that they may need to fulfil the terms of reference specifically relating to social care practice regarding child sexual exploitation and that any such person engaged also be required to meet the terms set out in 1 above and sign a declaration to that effect. Commissioning of such support shall be in consultation with the Chief Executive and within the budgetary limits agreed.
- 3) That the author be supported by the Council's Monitoring Officer, who will provide relevant legal advice and commission specialist advice if considered necessary, and by the Council's Director of Human Resources in relation to arranging such interviews with members and officers that the independent person requires.
- 4) That the Inquiry's status is non-statutory. The consequence therefore is that witnesses who no longer work for the Council may only be interviewed with their consent. Current serving officers and members will be required to give evidence to and support the inquiry.
- 5) That the Inquiry is undertaken in a way that is responsive to the wishes and needs of young people that may have been subject to sexual exploitation in the past.

**Scope**

The inquiry has two distinct elements:-

1997 to December 2009.

Through a process of reviewing an appropriate selection of child sexual exploitation case files from the period the Inquiry will:-

- Analyse social care practice, information gathering, data recording, data -sharing (specifically between the Council and South Yorkshire Police) and decision making.
- Consider the application of child sexual exploitation policies, procedures and best practice as they existed at the time.
- Consider managerial and political oversight, leadership and direction, operational management practice including supervision, support and guidance and the roles and responsibilities of other parties including the Police, Crown Prosecution Service, health services, schools, parents, family and the Local Children's Safeguarding Board.
- Consider emerging evidence, intelligence or trends, how they were communicated within the Council and with other agencies and the speed and way in which Council service delivery was adjusted to respond.
- Identify who in the Council knew what information when and determine whether that information was used effectively and in the best interests of protecting young people.

- Examine the extent to which other forms of regulatory control available to the Council and others (for example activities such as licensing and environmental health) were used to inform the safeguarding of children from sexual exploitation.
- Ensure that the cases reviewed will include those identified in the national press.

The objectives of this element of the review are:-

- To consider whether the Council when exercising its statutory and non - statutory powers could have done more to protect young people from child sexual exploitation and whether the range of options available was in any way limited by the actions of other agencies.
- To consider whether young people were adequately protected from the risks of sexual exploitation and if not to identify the factors that led to the failure to adequately protect them, including the part played by other agencies
- To consider specifically whether there is any evidence of the Council, or any other agency, not taking appropriate action as a consequence of concerns regarding racial or ethnic sensitivities.
- Make recommendations that can be used by the Council and others to ensure that any of the mistakes of the past are not repeated

### December 2009 to January 2013

Through a process of both reviewing an appropriate selection of child sexual exploitation case files and considering evidence placed within the public domain regarding safeguarding services within Rotherham (including Ofsted Inspections and Serious Case Reviews) throughout the period the Inquiry will:-

- Examine whether there is recent and current evidence that recommendations regarding the lessons learned and which have been identified in the first part of the review have been or are in the process of being implemented by the Council.
- Consider whether there is recent and current evidence the Council has or is in the process of implementing Government policy relating to child sexual exploitation that has been issued within the period.

The objectives of this element of the review are:-

- To consider whether the Council when exercising its statutory and non - statutory powers could have done more to protect young people from child sexual exploitation and whether the range of options available was in any way limited by the actions of other agencies.
- To consider whether there is evidence of necessary improvements to the Council's services and the extent to which the improvements are becoming embedded.
- To consider whether there is evidence that the pace of any such improvement is appropriate to the extremely serious nature of previous historic failings to the Council's safeguarding services in general, and child sexual exploitation practices in particular.
- To consider specifically whether there is any evidence of the Council, or any other agency not taking appropriate actions as a consequence of concerns regarding racial or ethnic sensitivities.
- To make recommendations that can be used by the Council and others.

### Performance Management and Governance

The terms of reference will be discussed with the author, prior to the Inquiry being undertaken. Any suggested additions or amendments will be considered by and made at the discretion of the Chief Executive and subsequently reported to Cabinet.

A draft report and final report will be available by dates to be agreed in writing at the date the Inquiry is commissioned

The Inquiry report will be the bona fide opinion of the author and will be endorsed as such.

The Inquiry report shall be provided in a format that can be made publicly available. The author shall ensure that the Council's requirement to maximise transparency are met. It is acknowledged that sensitive or confidential information may be referred to in the report and the author should use an appropriate referencing system to ensure the anonymity of clients and that all legal requirements regarding confidentiality and data protection are met.

Throughout the duration of the conduct of the inquiry the author shall report on progress to the Chief Executive at the end of each week, in a manner to be agreed in writing.

The identification of cases for review and of officers, members and other contributors for interview shall be entirely at the discretion of the author. However the Council requires that the number and breadth of files reviewed will be sufficiently representative to provide a robust basis for the analysis. Any arrangements for files, record keeping, minutes, interviews to be arranged on request by the Monitoring Officer and/or the Director of Human Resources.

The author shall consider, and consult with the Chief Executive upon, the appropriateness of seeking evidence from the victims of child sexual exploitation.

The final report will be delivered to the Chief Executive, who will report it to Cabinet together with the Council's response. Both reports will be made public.

Martin Kimber  
Chief Executive,  
Rotherham Metropolitan Borough Council  
September 2013.

1	<b>Meeting:</b>	<b>Cabinet</b>
2	<b>Date:</b>	<b>18<sup>th</sup> September 2013</b>
3	<b>Title:</b>	<b>DCLG Technical Consultation on the Local Government Finance Settlement for 2014/15 and 2015/16 Consultation Response</b>
4	<b>Directorate:</b>	<b>Resources</b>

## 5 Summary

This report provides details of the Council's proposed response to the DCLG Technical Consultation on the Local Government Finance Settlement for 2014/15 and 2015/16. At the Cabinet meeting on September 4<sup>th</sup> it was agreed that the Council would:

- Submit a Rotherham specific response;
- Input to and endorse the SIGOMA response;
- Provide input for a South Yorkshire response, if there is one; and
- Share our response with the LGA.

Attached as an appendix is the Council's proposed response, although the Consultation paper itself only requests authorities' views on 6 technical questions around the process of determining control totals and feeding in cuts in funding, it is proposed that the Council's response highlights its concerns both around the impact of the proposals on the Council and the process itself.

This approach is also being favoured by both SIGOMA and the LGA in their responses and the Council has fed back its concerns around the implications of the proposals to these bodies for inclusion in their responses.

## 6 Recommendations

**Cabinet is asked to:**

- **Note the contents of the report**
- **Endorse the Council's Consultation response and submission – attached as appendix 1**
- **Refer the Council's Consultation response to Overview and Scrutiny Management Board (OSMB)**
- **Allow the Director of Finance, in consultation with the Leader to finalise the submission of the Consultation response reflecting any OSMB comments; and**
- **Note that the Council has informed both SIGOMA and the LGA of its views for inclusion in their respective submissions to the DCLG**



## 7.1 Background

On 25<sup>th</sup> July the DCLG released a Technical Consultation Paper setting out proposals for the 2014/15 and 2015/16 local government finance settlements requesting responses to the proposals by 2<sup>nd</sup> October 2013.

## 7.2 2014/15 and 2015/16 Settlements and Projected Budget Gap

As reported to Cabinet on September 4<sup>th</sup>, the impact of the Technical Consultation proposals on Rotherham's budget projections was to further reduce projected resources by £5.6m on top of the £5.9m reduction reported to Cabinet on 24<sup>th</sup> July 2013.

- Increasing the 2014/15 and 2015/16 cumulative budget gap from the £35.2m previously reported to £40.8m.
- Rotherham Council's indicative 2014/15 Budget Gap is increased by an additional £0.4m to £20.5m, and
- For 2015/16, this is an increase over 2014/15's budget gap of £20.3m.

**7.3** These proposed funding reductions were largely unexpected and gave rise to concern amongst local authorities and their representative organisations. Of particular concern was that initial analysis of the Consultation Paper indicated that the cut to local government funding was £1bn greater than had been indicated in the June Spending Round. This was found to be due to:

- A cut in RSG due to the DCLG taking into account expected growth in local authorities' share of business rates in its income estimates (Rotherham has assumed no local growth in rates income over and above the annual RPI increase in rates poundage).
- **£800m** which had been presented in June as additional funding for "new burdens", being already included in the local government funding baseline rather than being added to it. In effect, this means that **there is a cut in mainstream funding to support these new initiatives**. Given this, it is anticipated that funding for Troubled Families (details of which are yet to be announced) will, at least in part be met from local government's own resource settlement.
- Additional funding is also being withheld or top-sliced from authorities for New Homes Bonus and business rates retention safety nets. The latter is to reflect the expected impact on authorities of backdated (pre 2013/14) rates appeals which it can be argued should be funded from residual pre 2013 rates receipts rather than localised business rates which were only in place from April 2013.
- **Information still requiring clarification** In spite of the release of the Technical Consultation Paper some uncertainty remains around the final settlement figures for both financial years. This is due to: some details, (particularly in respect of new initiatives) remaining unannounced, not all the changes affecting the 2015/16 settlement having been taken into account in the DCLG's current projections (e.g. Council Tax Freeze compensation) and full details of all the "rolled in grants" which make up elements of RSG core funding being yet to be announced.
- In Rotherham's case the assessment is that the cuts detailed in the 2 papers issued in June and July will seriously impact on the Council's ability to meet the needs of Rotherham citizens in the next 2 financial years.

## 7.6 Response to the Technical Consultation Paper.

A report setting out the implications of the Technical Consultation paper for the Council and outlining the proposed approach to be adopted for the Council's response was considered at the Cabinet meeting on September 4<sup>th</sup>. It was agreed that the Council would:

- Submit a Rotherham specific response;
- Input to and endorse the SIGOMA response;
- Provide input for a South Yorkshire response, if there is one; and
- Share our response with the LGA.

The consultation period on the Settlement Proposals ends on the 2<sup>nd</sup> October. The DCLG's formal questions in the Consultation Paper focus on technical details such as: the proposals for implementing the 1% reduction in 2014/15 funding announced in the Chancellor's Budget, the treatment of holdbacks for the NHB and Safety Net and the calculation of control totals in 2015/16.

However, the current proposals have generated substantial concern amongst authorities and in line with the approach being taken by both SIGOMA and the LGA it is proposed that responses should go beyond simply answering these technical questions and should highlight other issues and concerns around the proposals, in particular the impact of the significant reduction in funding.

The Leader of the Council has already written to Lord Freud (7<sup>th</sup> August) raising serious concerns about the negative impact of Welfare Reform and funding proposals on Rotherham's residents and economy and it is proposed that the Council's response should echo these concerns. In addition, the LGA and SIGOMA have both identified the following as key points:

- The lack of transparency in the process – the Technical Paper had not been announced in advance and was released during the holiday season, after Parliament had risen. It has proved difficult to replicate DCLG figures, in particular the much quoted reduction in spending power of 2.3% - local government estimates that real – terms reduction in core funding is over 15%.
- The impact of the reductions on RSG – which is now the only needs based element of funding. As baseline business rates' funding has been frozen until 2020, the largest portion of the cuts has had to come from RSG. RSG has been reduced: by the 1% announced in the Chancellor's Budget, top-sliced (e.g. to fund the rates safety net and NHB) and to reflect the increase in business rates income in 2015/16.
- In real terms RSG will have reduced by just under 30% by 2015/16 (and it will represent less than half of local government funding for the first time). This has a disproportionate impact on authorities like Rotherham with relatively high levels of need and limited capacity to increase their business rates income and which are therefore more dependent on needs based RSG. The link between resource allocations and assessment of spending need will be weakened with implications for local government funding going forward – in future the only way local authorities will be able to improve their resource outlook is to increase rates income.
- With respect to business rates - backdated appeals relating to the period before 2013/14 (when the business rates retention scheme started) should be charged to the

- New Burdens - both the LGA and SIGOMA share the view that that including funding for new burdens with an overall funding decrease, thus reducing the apparent cut, is misleading. This approach would also seem to run counter to the commitment made in the New Burdens Guidance (issued by the DCLG in June 2011 and still on their website) that all new burdens on local authorities must be properly assessed and fully funded by the relevant department.

## **7.7 Other responses**

In preparing its response to the consultation the Council has liaised with and has shared its views with both SIGOMA and the LGA. The Council's response will make clear that it supports the submissions made by these authorities and a copy of the Council's submission will be shared with them. SIGOMA has called a meeting of Technical Officers on September 12<sup>th</sup> and should any further issues be identified following the meeting this will be fed back and the Council's response will be revised.

In addition to the LGA and SIGOMA, the Council is active within Local Government and the Humber – at present details of this organisation's response are not available but it is understood that should they submit a reply to the Consultation, like other submissions it will focus on the additional top-slicing/cut of resources from RSG and the funding of new burdens.

In the report to Cabinet of 4<sup>th</sup> September it had been suggested that a South Yorkshire response might be submitted, however there has not been any interest in this approach from the other 3 neighbouring authorities.

## **8. Finance**

Although the proposals outlined in the Technical Consultation Paper have significant financial implications for the Council, there are no direct financial implications arising from this report.

## **9. Risks and Uncertainties**

Again, although the localisation of Business Rates has significantly increased the proportion of risk borne by Councils and there remain significant uncertainties and pressures for the Council around the proposed Financial Settlements for 2014/15 and 2015/16 there are no direct risks associated with this report.

## **10. Policy and Performance Agenda Implications**

There are no policy and performance agenda items arising directly from this report.

## **11. Background Papers and Consultation**

- Spending Round 26<sup>th</sup> June 2013 and Infrastructure Announcement 27<sup>th</sup> June 2013
- Report to Cabinet the Implications of the 2013 Spending Round for the Council's Financial Projections – 24<sup>th</sup> July 2013
- Report to Cabinet The Implications of the DCLG Technical Consultation on the Local Government Finance Settlement for 2014/15 and 2015/16 -4<sup>th</sup> September 2013
- Local Government Finance Settlement 2014/15 and 2015/16 Technical Consultations DCLG 25<sup>th</sup> July 2013.

- LGA Briefing
- SIGOMA Briefing
- Strategic Directors and Service Directors of the Council
- New burdens doctrine: guidance for government departments DCLG 20<sup>th</sup> June 2011

**Contact Name:** Stuart Booth, Director of Financial Services, *ext. 22034*,  
[stuart.booth@rotherham.gov.uk](mailto:stuart.booth@rotherham.gov.uk)

### **Local Government Finance Settlement 2014-15 and 2015-16 – Technical Consultation – Rotherham MBC Response**

Rotherham Council welcomes the opportunity to respond to the consultation on the proposed Local Government Finance Settlements for 2014/15 and 2015/16. As well as this response on its own behalf, as a member of both the Local Government Association (LGA) and Special Interest Group of Municipal Authorities (SIGOMA) the Council would also endorse their respective responses to this consultation.

Although, the Council has answered the specific technical questions included in the Consultation Paper, like SIGOMA and the LGA, the Council is of the view that there are several other issues surrounding the Consultation that also require consideration and resolution before any technical issues are addressed.

- Firstly, like SIGOMA and the LGA Rotherham Council is particularly concerned by the lack of transparency in the current process – the Technical Paper had not been announced in advance and was released during the holiday season, after Parliament had risen. Although described as a technical paper, the proposals being consulted upon have significant implications for the outcomes of the 2013 Spending Round, which had been announced only a month earlier.
- The current proposals amount to a significant funding reduction for local government on top of the 10% reduction in funding announced as part of the June Spending Round. It has not been possible to replicate all the figures quoted in the document, in particular the much quoted reduction in spending power of 2.3% - local government's own estimates suggest that taking into account the proposals in the current consultation, the real terms reduction in core funding by 2015/16 is 15%. Given this, transparency over the calculation of a 2.3% reduction in spending power would be most welcome.
- The impact of the funding reductions on RSG – which is now the only needs based element of funding, is worrying for authorities like Rotherham with high levels of need. As baseline business rates' funding has been frozen until 2020, the largest portion of the current cuts has had to come from RSG. In real terms, by 2015/16 RSG will have reduced by just under 30% (and it will represent less than half of local government funding for the first time). This weakens the link between resource allocations and assessments of spending need. This is all the more significant for authorities like Rotherham, as the current funding assessments are based on damped funding allocations, which did not fully fund the assessed need of authorities in order to protect others.
- It is also a concern that RSG has been reduced to take account of predicted RPI growth in the local share. This approach runs counter to the spirit of the Rates Retention scheme income but also redistributes funding from authorities with high levels of needs to those able to increase their rates income. In future, given the restrictions on increasing Council Tax, the only route for local authorities to improve their resource outlook will be to increase rates income.
- Overall the proposals will have a disproportionate impact on authorities like Rotherham with relatively high levels of need and limited capacity to increase their business rates income, who are, therefore, more dependent on needs based grant allocations like RSG. This is the issue considered by SIGOMA in its paper "A Fair Future?" which the

Council Leader referred to in a recent letter to Lord Freud. As indicated in Cllr Stone's letter, the Council is seeking government recognition that inequalities are being created under the new funding regime and that a fair method will need to be deployed to redress these imbalances if the smaller and poorer metropolitan authorities, like Rotherham, are to be equipped with the resources needed to stimulate economic growth and reach their full economic potential

- New Burdens – like the LGA and SIGOMA, Rotherham Council shares the view that including funding for new burdens with an overall funding decrease, thus reducing the apparent cut to resources is misleading. This approach would also seem to run counter to the commitment made in the New Burdens Guidance (issued by the DCLG in June 2011 and still on your website) that all new burdens on local authorities must be properly assessed and fully funded by the relevant department.
- **Question 1:** Do you agree with the Government's proposal on how to implement the 1% reduction to the Local Government Expenditure Limit (LG DEL)?

Reducing the needs based element of the Local Government Finance Settlement for 2014/15 will have a disproportionate effect on authorities like Rotherham with relatively high levels of need and limited capacity to increase their rates income.

- **Question 2:** Do you agree with the proposal for reducing the funding available for capitalisation for 2014-15 by £50m and using this revenue to reduce the amount required to be held back from *Revenue Support Grant* to fund the safety net?

Rotherham Council does not agree with the proposal and is of the view (shared by SIGOMA and the LGA) that - backdated appeals relating to the period before 2013/14 (when the business rates retention scheme came into being) should be charged to the pre 2013 rates pot rather than funding being taken from RSG or from provision for capitalisation to increase the Safety Net.

Capitalisation directions are only provided to authorities in exceptional circumstances and the conditions around their use mean that an authority would not request a capitalisation direction unless it was absolutely necessary and the Council would be loath to remove this option from authorities. That said the Council does not consider it appropriate to fund capitalisation directions from local authorities revenue funding.

- **Question 3:** Do you agree with the way the Government proposes to hold back the funding that is necessary for New Homes Bonus and safety net support, and to return any surplus to authorities?

The current proposals to holdback 35% of New Homes Bonus Funding to support investment by LEPs seem to run counter to the purpose of the New Homes Bonus as a grant paid by central government to local councils for increasing the number of homes and their use which authorities can decide how to spend. Furthermore, government guidance made it clear that local councils were expected to consult communities about how they will spend the money, especially communities where housing stock has increased, but no such requirement is passed on the LEPs.

Although the Council agrees with the principle that any top-sliced resources not used should be returned to authorities, as its response to question 2 indicates, with respect to the Business Rates Safety Net, the Council does not support the Government proposals to take funds from RSG.

- **Question 4:** Do you agree with the proposed methodology for calculating control totals for each of the elements within the *Settlement Funding Assessment*?

In determining control totals for specific settlements of funding it is important to reflect differences in need and authorities' potential to generate income from other sources. As stated, reducing RSG, which is needs based, has a disproportionate effect on authorities like Rotherham with high levels of need and relatively limited scope to increase rates income.

As an aside, the Council would welcome an indication of how the 2.3% spending reduction was calculated; when local government estimates that the funding reduction is actually over 15%. Like the LGA and SIGOMA, Rotherham Council considers that it is misleading to include funding for New Burdens in resources totals, offsetting an overall decrease in resources. This is particularly the case with respect to the additional pooled health and social care funding as there is not yet a clear indication of the terms conditions and payment schedule that will apply to this funding. These resources are linked to new responsibilities and duties for local government and therefore do not represent an overall funding increase to the sector.

- **Question 5:** Do you agree with the proposed methodology for transferring in the 2013-14 Council Tax Freeze Compensation?

Rotherham Council accepts the proposed methodology for transferring in the 2013/14 Council Tax Freeze compensation but would ask why a similar approach has not been adopted in respect of Council Tax Reduction Scheme funding?

- **Question 6:** Do you agree with the proposed methodology for adjusting the 2015-16 settlement to take account of the loss of tax revenue due to the Exchequer from the local authorities who are too small to participate in the Carbon Reduction Commitment Energy Efficiency Scheme?

Yes

To conclude it is hoped that these comments will be of assistance in determining Local Government Funding Settlements for 2014/15 and going forward.

Document is Restricted



Document is Restricted

Document is Restricted