

Select Commission Briefing - 3.00 p.m.

SELF REGULATION SELECT COMMISSION

**Venue: Town Hall, Moorgate
Street, Rotherham.**

Date: Thursday, 9th January, 2014

Time: 3.30 p.m.

A G E N D A

1. Apologies for Absence.
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. Questions from Members of the Public and the Press.
6. Communications.

For Decision:-

7. Minutes of the previous meeting held on 19th December, 2013 (herewith) (Pages 1 - 7)

For Monitoring:-

8. Exclusion of the Press and Public.
The following item is 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).
9. Budget 2014/15 (Officers to report)
10. Housing Rent Increase 2014/15 (report herewith) (Pages 8 - 13)
11. District Heating Scheme Charges 2014/15 (report herewith) (Pages 14 - 17)
12. Date and Time of Next Meeting - Thursday, 20th February, 2014 at 3.30 p.m.

Members of the Self-Regulation Select Commission:-

Councillor Currie (Chairman)

Councillor Beck (Vice-Chairman)

**Councillors Ahmed, Atkin, Beaumont, Ellis, Godfrey, J. Hamilton, Mannion, Sharman, Tweed,
Vines and Watson.**

SELF REGULATION SELECT COMMISSION
Thursday, 19th December, 2013

Present:- Councillor Currie (in the Chair); Councillors Beaumont, Beck, Ellis, J. Hamilton, Sharman, Vines and Watson.

Apologies for absence:- Apologies were received from Councillors Ahmed, Godfrey and Tweed.

34. DECLARATIONS OF INTEREST

There were no declarations of interest made at this meeting.

35. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

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

36. COMMUNICATIONS

No communications had been received.

37. MINUTES OF THE PREVIOUS MEETINGS HELD ON 5TH SEPTEMBER AND 21ST NOVEMBER, 2013

Resolved:- That the minutes of the meetings held on 5th September and 21st November, 2013, be approved as a correct record for signature by the Chairman.

38. THE DRAFT DEREGULATION BILL

Consideration was given to a report presented by Simeon Leach, Economic Development Manager, which set out details of the Draft Deregulation Bill currently going through Parliament and its potential impacts on Rotherham.

The Bill was aimed at three main groups:-

- Freeing business from red tape.
- Making life easier for individuals and civil society.
- Reducing bureaucratic requirements on public bodies and the taxpayer.

The key issues for local authorities were likely to be the proposals on housing and the right to buy, energy and climate change, new structure for penalties for breaches of waste collection arrangements, repeals of requirements to prepare strategies and to consult and modifications in the responsibility of regulatory bodies. There were also some deregulatory measures particularly in education which would be of interest.

Many of the changes would come into effect within two months of the Bill going onto the statute book; others would require consultation and may need regulations before being introduced.

The areas which would be affected were:-

- Housing - right to buy.
- Housing strategies.
- Waste.
- Strategies and consultation requirements.
- Regulators and economic growth.
- Other deregulatory measures covering apprenticeships, public rights of way, education and climate change.

Many of the changes introduced by the proposed Bill would be minor and simply repeal measures that have become outdated, or put into effect changes in policy that have already been announced. Others could have more far-reaching consequences.

The decision for the draft to be considered by a Joint Committee was welcomed as any social implications and impact on public policy could be carefully considered and there would be an opportunity for sectors affected by the changes to make written and oral submissions.

The Select Commission were surprised to hear that there had been no response submitted as part of the consultation process on this Bill and questioned the procedure, but asked that once the details were known in the Bill that the details were shared across all Directorates via this Select Commission because of the cross cutting elements involved. The Select Commission asked that the Overview and Scrutiny Managed Board clarified the consultation procedure.

Discussion ensued on the right to buy qualifying period and implications for Rotherham and questioned whether the decision by one of the London Borough's not to sell Council houses was correct.

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

(2) That the potential impacts to Rotherham following the implementation of the Bill be considered further by this Select Commission when known.

39. REVENUE BUDGET MONITORING FOR THE PERIOD ENDING 31ST OCTOBER, 2013

Further to Minute No. 138 of the meeting of the Cabinet held on 18th December, 2013, consideration was given to a report presented by Pete Hudson, Chief Finance Manager, concerning the funding reductions implemented by the coalition Government since 2011 which have required the Council to make savings of over £70 million, including £20.2 million of savings which the Council must deliver during the 2013/14 financial year

in order to achieve a balanced outturn budget.

The submitted report provided details of progress on the delivery of the Revenue Budget for 2013/14, based on performance for the first seven months of the financial year. It was currently forecast that the Council would overspend against its budget by £4.625 million (+2.1%). The main reasons for the forecast overspending were:-

- The continuing service demand and cost pressures for safeguarding vulnerable children across the Borough area.
- Income pressures within Environment and Development Services.
- Continuing Health Care income pressures within Adult and Children's Services.
- Additional, one-off property costs relating to the continued rationalisation of the Council's asset portfolio as part of the efficiency drive to reduce operational costs.
- Some savings targets were currently pending delivery in full during 2013/14.

The moratorium on all except 'essential' spend had been in place since 16th October, 2013, and was starting to see a slow down in spend as had been experienced in previous years when a spending moratorium had been imposed. Services were also exploring opportunities to maximise the flexible use of grant funding whilst ensuring grant conditions were complied with. Further, the recent opening of the offer for staff to apply for Voluntary Early Retirement/Voluntary Severance (VER/VS) would also generate savings which would contribute to both reducing the in-year pressure and potentially contribute to closing the 2014/15 budget gap.

Monthly budget monitoring reports would not be submitted to Cabinet to enable close monitoring of progress towards delivering a balanced outturn.

It was also noted that meetings had taken place with the Clinical Commissioning Group regarding concerns over access to and timely payment of Continuing Health Care income for clients with Continuing Health Care needs. An action plan had been developed and updates submitted to a series of future meetings between early December and the end of the financial year.

Discussion ensued and the following issues were raised and subsequently clarified:-

- Current position and up-to-date information on the budget.
- Moratorium of spend and whether this included staff recruitment and sick leave cover.
- Suitability of candidates for the Director of Safeguarding position.
- Reasons for increased agency staff usage in Children and Young People's Services and Environment and Development Services and the good practice exhibited in other Directorates of the Council.

- Procurement processes for agency staff ensuring value for money.
- Spotlight review of agency and consultancy usage to be added to the Work Programme for 2014/15.
- Council tax collection rates and current collection rates for business rates.
- Overspend on independent sector residential and nursing care and the delivery of expected savings.

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

(2) That the current forecast outturn and significant financial challenge presented for the Council to deliver a balanced revenue budget for 2013/14 be noted.

(3) That the Cabinet's approval of the proposed strategy to bring spending in line with budget by 31st March, 2014, be noted.

(4) That information be provided on the status of the recruitment for the post of Director of Safeguarding and the current business rate target for collection.

40. CAPITAL PROGRAMME MONITORING 2013/14 AND CAPITAL PROGRAMME BUDGET 2014/15 TO 2016/17

Consideration was given to a report presented by Pete Hudson, Chief Finance Manager, which provided details of the current forecast outturn for the 2013/14 programme and enabled the Council to review the capital programme for the financial years 2014/15 to 2016/17.

Ongoing restrictions on Government funding for local government capital investment plans continued to limit the level of funding available to regenerate and enhance the Borough's infrastructure.

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

The budget process that had led to the recommended capital programme for 2014/15 to 2016/17 ensured that the Council's capital investment plans were aligned with strategic priorities and available funding. The financial implications of the programme were reflected in the Council's Medium Term Financial Strategy (MTFS) and Treasury Management and Investment Strategy.

In 2013/14 the Council would have invested £82.395m in capital schemes across the Borough. A further £133.817m would be invested in regeneration and enhanced infrastructure schemes over the following

three year period, including £59.348m in 2014/15.

It should be noted that some grant funding notifications have not been received at this time, which had limited the development of schemes to be undertaken in 2015/16 onwards. Once those notifications were received reports would be brought before Members, which would expand the current programme.

The expenditure plans and profiles were reflected in the Directorate summary forecast capital spend table presented within the report and a detailed copy of the programme for each Directorate was provided.

Discussion ensued and the following questions were raised and subsequently clarified:-

- Capital builds for schools who were or in the process of converting to Academies.
- Investment at Brinsworth Library and what this entailed.

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

(2) That further information be provided on the investment proposals at Brinsworth Library.

41. CORPORATE RISK REGISTER

Consideration was given to a report presented by Andy Shaw, Insurance and Risk Manager, which provided details of the current Corporate Risk Register summary. The summary showed the risks associated with the Council's most significant priorities and projects and actions being taken to mitigate these risks.

The Council's key current risks continued to related to the financial pressures faced by the Council and the implications of the Welfare Reforms. The report summarised the management actions that were being taken to mitigate these and other risks in the register.

The risk score on the priority relating to achieving economic growth remained high in recognition of the on-going weak economic conditions.

Discussion ensued on the inclusion of a timeline and additional narrative for when it was anticipated the "red" risks may be resolved, risks arising from the De-Regulation Bill, clarification of "aged" insurance claims, level and eligibility for free school meals and the underspends, maximisation of reputation opportunities and the responses to public consultation.

Resolved:- (1) That the Corporate Risk Register summary attached at Appendix A be noted.

(2) That the current assessment of the Council's top corporate risks be

approved.

(3) That any further risks or opportunities that it feels should be added to the risk register be identified, but that some consideration be given to the implications of the De-Regulation Bill when this was known.

(4) That information about Free School Meals feed into the review being undertaken by the Improving Lives Select Commission.

42. COMPLAINTS - ANNUAL REPORT (APRIL 2012 - MARCH 2013)

Consideration was given to a report presented by Stuart Purcell, Performance and Improvement Officer, with regard to complaints made between 1st April, 2012 and 31st March, 2013, under the Corporate Complaints Procedure, the Adult Social Services and Children's Social Services complaint regulations.

In total, over the last twelve months, there had been 668 complaints received by the Council, an 8% decrease (724 received 2011/12) of which 98% had been responded to within the timescales promised compared to 94% in 2011/12 and 76% in 2010/11.

This reduction was due to continued improvements in the management of complaints led by the improvements brought about by the creation of a centralised complaint function in 2012. There was an embedded one Council approach to complaint handling, best practice was brought together and shared and continuous improvement maintained throughout the year. There was better focus on the first response to the complaint, complaints were quality assured before they were sent and review for any learning and service development issues to prevent complaints being repeated.

Overall **98%** of all complaints were responded to within the timescales promised, compared to **94%** (2011/12) and **76%** (2010/11). This continued the Council's progressive approach to performance management, leading to year on year improvement. All Directorate leads are targeted to achieve 100% performance.

It was also noted that the Directorate complaints team had continued to maintain recent significant improvements in the following areas:-

- Learning from all Complaints to identify service improvements.
- Improved performance on enquiries responded to in time.
- Reduced the number of complaints received.
- Reduced the number of informal complaints received.
- Reduced number of complaints escalating through the complaint procedure.
- Less complaints upheld.
- Reduced the time taken to respond to Ombudsman enquiries.
- Improving the quality of responses.

- Has assisted with more Councillor Surgery enquiries.

Discussion ensued and the following issues were raised and subsequently clarified:-

- Realistic levels of compensation where a customer had suffered financial loss.
- Anomalies in the report.
- Trends of upward complaints considered by management.
- Reasons for discrepancies between Directorates.
- Information to be shared with Elected Members on the nature of complaints made by the public, specifically in Streetpride.
- Publication of information on the Council's website that gives contact numbers should there be particular issues.
- How commissioned services dealt with complaints and how they were addressed through the commissioning process.
- Complaints about children not getting into their chosen schools.
- The strengthened guidance and training around apologies and early resolution.

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

43. DATE AND TIME OF NEXT MEETING

Resolved:- That the next meeting of the Self Regulation Select Commission take place on Thursday, 9th January, 2014, at 3.30 p.m.

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