

CABINET MEMBER FOR SAFE AND ATTRACTIVE NEIGHBOURHOODS

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

Date: Monday, 1st September, 2014

Time: 10.00 a.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested, in accordance with the Local Government Act 1972 (as amended March 2006).
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency.
3. Apologies for absence.
4. Declarations of Interest.
5. Minutes of the previous meeting held on 14th July, 2014. (Pages 1 - 7)
6. Receipt of petition - York Gardens and Centre.
 - Petition containing 20 signatures from the residents and users of York Gardens and its associated Centre regarding the lettings of bungalows on the estate.
7. Receipt of a petition - East Dene Park.
 - Petition containing two signatures requesting the Council to 'Save East Dene park from anti-social behaviour and vandalism'.
8. Housing Investment Programme (Period 4, July 2014) (Pages 8 - 16)
9. Neighbourhoods General Fund Revenue Budget Monitoring 2014/15 - to June, 2014. (Pages 17 - 20)
10. Housing Revenue Account Budget Monitoring Report 2014/15 - to June, 2014. (Pages 21 - 26)

11. Rotherham Furniture Solutions - Sale and Disposal of Goods Policy. (Pages 27 - 46)

12. Date and time of next meeting: -

- Monday 6th October, 2014, to start at 10.00 a.m. in the Rotherham Town Hall.

CABINET MEMBER FOR SAFE AND ATTRACTIVE NEIGHBOURHOODS
Monday, 14th July, 2014

Present:- Councillor McNeely (in the Chair); Councillors Godfrey and Roddison.

J18. DECLARATIONS OF INTEREST.

No Declarations of Interest were made.

J19. MINUTES OF THE PREVIOUS MEETING HELD ON 16TH JUNE 2014

The minutes of the previous meeting of the Cabinet Member for Safe and Attractive Neighbourhoods held on 16th June, 2014, were considered.

Resolved: - That the minutes be agreed as an accurate record.

J20. NEIGHBOURHOODS GENERAL FUND REVENUE BUDGET
MONITORING 2014/15

Consideration was given to the report presented by the Neighbourhood and Adult Services Finance Manager (Business Partnering, Financial Services, Resources Directorate) that provided a forecast to the end of the 2014/2015 financial year based on actual income and expenditure to the end of May, 2014.

The forecast to the end of the 2014/2015 financial year was an under-spend of £113, 000 against the approved net revenue budget of £583,000. This represented a variation of -19.38% of the total budget.

A summary was provided in relation to the Service headings regarding the main areas of variance.

Discussion ensued on the information reported.

Resolved: - (1) That the forecast to the end of the 2014/2015 financial year, based on actual income and expenditure to 31st May, 2014, be noted.

(2) That further reports be presented to the Cabinet Member for Safe and Attractive Neighbourhoods relating to the 2014/2015 financial year forecast.

J21. AIDS AND ADAPTATIONS EXTENSION AND POLICY REVIEW

Consideration was given to the report and appendices presented by the Director for Housing and Neighbourhoods (Neighbourhood and Adult Services Directorate) that outlined proposed changes to the Council's Aids and Adaptations Extension policy. This had been prompted by

customer complaints regarding the maximum mandatory amount of the Disabled Facilities Grant (DFG), a grant limit that was set by Central Government.

The report noted that the Adaptions Service had eradicated their backlog and had reduced the time taken from receiving a request to approving it to less than four weeks. The team were seeking to further improve by reducing contractor turn-around times and re-assessing the way extensions were recommended and approved.

In addition, the Aids and Adaptations Policy (2011) had been revised to comply with Occupational Therapy guidelines.

A number of customer, Councillor and MP enquiries in recent months had related to the amount of funding available under the DFG, at a time of increasing costs of labours and materials but a static £30,000 DFG. This often left a short-fall for customers to pay. Whilst every effort was made to minimise costs, it was still common for the grant limit to be exceeded.

Data for the last five years was considered that showed the average costs of extensions. Eight bedroom and bathroom extensions took place over this period, and seven cost above the £30,000 threshold.

The Local Authority had the option to apply Additional Discretionary Funding if they wished to under the Housing Grants, Construction and Regeneration Act (1996). There was no upper limit to the increase above the statutory £30,000. However, there was no legal obligation to provide additional funding.

It was suggested that Rotherham apply an Additional Discretionary Funding amount of £5,000 that would be agreed under the delegated powers of the Director for Housing and Neighbourhoods Services. There was no additional funding to cover this, and costs would be met from the same budget that the Disabled Facilities Grant came from.

It was also proposed that the Additional Discretionary Funding be offered as a last resort following a number of criteria being met. These criteria would be: -

- The extension was absolutely necessary and no alternative adaptions could adequately meet the customer's needs;
- There were no alternative ways the extension could be built to cut the cost of works;
- A minimum of three quotations must be received to ensure the best possible price;
- The implications within the policy for people who under-occupied their homes;
- Rehousing could not be offered within a six-month period from the date of applications.

Cost saving strategies were outlined in the submitted report: -

- Reduce fees on all extensions – not recommended;
- Only approve extensions on properties that do not have a second ground floor room (i.e. dining room) that can be utilised;
- Promoting re-housing as an alternative to an extension;
- Possibility of adapting a void to adequately meet customer's needs instead of extending their current property (required more research);
- Utilising the Specialist Equipment Budget to fund specialist baths required as well as extensions;
- Applying a legal charge on privately owned properties.

Discussion ensued and the following issues were raised: -

- Ensuring that a balance of reasonableness and fairness was met for families in the current context of reducing resources and increasing demand;
- Demographically there was an ageing population but resources were not keeping pace with needs;
- The importance of utilising existing adapted properties that were void before making new adaptations.

Resolved: - (1) That the grant limit of £30,000 remain the same for the next six-months.

(2) That approved extensions that cost above the grant limit of £30,000 only receive Additional Discretionary Funding if no alternative solution could be offered. Additional Discretionary Funding would be an additional £5,000 to make a maximum contribution of £35,000.

(3) That the Aids and Adaptations Policy be amended as detailed in the submitted report and appendices to reduce the number of extensions recommended, and a review of the effectiveness of the change be undertaken in twelve months' time.

(4) That the recommended cost savings as outlined in the submitted report be accepted.

(5) That the proposed amendments outlined in the submitted report to the Adaptations Policy be adopted into the new Adaptations Policy.

J22. REVISED HOUSING INVESTMENT PROGRAMME 2014/15

Consideration was given to the report presented by the Business and Commercial Programme Manager (Housing and Neighbourhood Services, Neighbourhood and Adult Services Directorate). The report provided an update on revisions to the Housing Investment Programme for 2014/2015.

The Capital Programme had been set for the period until 2016/2017, but

was regularly reviewed to ensure that the policy was aligned with the strategic priorities and vision for Rotherham.

The report contained a table that showed the current budget allocation for 2014/2015 and a revised 2014/2015 budget proposal.

The Business and Commercial Programme Manager discussed the areas of variance and the reasons for the changes.

Resolved: - That the revisions to the Housing Investment Programme, 2014/2015, be approved as contained in the submitted report.

J23. GROUNDS MAINTENANCE (HOUSING LAND)

Consideration was given to the report presented by the Director for Housing and Neighbourhoods that outlined the arrangements for grounds maintenance of Council administered land as financed by the Council's General Fund. The current pressure on the General Fund had led to a reduced service offer and periods in-between grassing cutting lengthened with subsequent impacts on communities and, in particular, vulnerable people. The report outlined a proposal to enhance the Borough-wide approach to grounds maintenance for council housing areas and funds provided for a limited period from the Housing Revenue Account.

The report detailed how the increased length in-between grass cutting had impacted on communities, and particularly those that lived in shared complexes, blocks of flats and estates where green spaces had been incorporated as quality amenity areas.

Two proposals were made: -

- Increase the frequency of grass-cutting to **aged-persons' complexes** from 5 cuts to 10 cuts. A financial contribution of £50,000 would be required from the Housing Revenue Account in 2014/2015.
- Increase the frequency of grass-cutting to **general housing land** from 5 cuts to 10 cuts. A financial contribution of £236,231 would be required from the Housing Revenue Account in 2014/2015.

These proposals were made for the remainder of 2014/2015 and for 2015/2016. Further consideration would be made for the availability of budget for 2016/2017 onwards.

Resolved: - (1) That the Borough-wide approach to grounds maintenance for housing land be enhanced as outlined in the submitted report to an annual cost of £286, 000 from the Housing Revenue Account for the 2014/2015 and 2015/2016 Financial years.

(2) That a review be undertaken to consider the appropriateness of continuing this service beyond 2015/2016.

(3) That a further report on the opportunities to undertake environmental improvements in respect of shrub and flower beds for 2015/2016 be submitted to the Cabinet Member for Safe and Attractive Neighbourhoods.

J24. REPRESENTATION ON OUTSIDE BODIES 2014-15

Resolved: - (1) That the following appointments of representatives on Outside Bodies for the 2014/2015 Municipal Year: -

- Rotherham Licence Watch Steering Group – Councillor Dalton, Chair of the Licensing Board;
- South Yorkshire Trading Standards Committee – Councillor McNeely, Cabinet Member for Safe and Attractive Neighbourhoods and Councillor Wyatt, Cabinet Member for Finance;
- Environmental Protection UK Yorkshire and Humberside Division – Four representatives from the Improving Places Select Commission;
- Warm Homes – Cabinet Member TBC;
- Women’s Refuge – One representative from the Improving Places Select Commission;
- Sheffield City Region Housing and Regeneration Board – Councillor McNeely, Cabinet Member for Safe and Attractive Neighbourhoods.

(2) That no appointment be made to the Yorkshire and Humberside Pollution Advisory Council as the organisation was in the process of closing.

J25. INSTALLATION OF WOOD BURNING STOVES OR OTHER SOLID FUEL APPLIANCES IN COUNCIL PROPERTIES.

Consideration was given to the report presented by the Director for Housing and Neighbourhood Services that outlined a proposed policy in respect of the installation of wood burning stoves or other solid fuel appliances in Council properties.

The report outlined the potential benefits of wood burning stoves and other types of solid fuel appliance concerning their cost effectiveness and ability to meet the requirements of the Clean Air Act, 1993, considerations relating to carbon monoxide and the cost-benefits consideration of savings against gas bills.

The report outlined the roles and responsibility of the Council as landlord

in Council properties if wood burning stoves or other solid fuel appliances were installed. The Council would be responsible for health and safety risks, structural risks to the property if any alterations were undertaken and not done properly, maintenance risk, enforcement risk and potential nuisance risk.

A very small number of appliances had been installed in Council-owned properties through a pilot scheme.

Resolved: - That the Council's policy would be to decline applications for Tenant alterations relating to the installation of wood burning stoves and other solid fuel appliances in Council properties.

J26. EXCLUSION OF THE PRESS AND PUBLIC

Resolved: - That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in those paragraphs of Part I of Schedule 12A to the Local Government Act, 1972.

J27. INTRODUCTORY TENANCY REVIEW PANEL

It was noted that an Introductory Tenancy Review Panel had been held on 25th April, 2014, comprising Councillors Pitchley (in the Chair), Buckley and Tweed to review a decision to terminate an Introductory Tenancy.

The decision made by the Anti-Social Behaviour Officer to serve a Notice of Proceedings of Possession on 19th May, 2014, was confirmed by the Panel.

(Exempt under Paragraph 2 of the Act – information likely to reveal the identity of an individual)

J28. STAGE 3 COMPLAINT

It was noted that a Stage Three Complaint had been heard on 23rd June, 2014, by Councillors Ellis (in the Chair), Beaumont and Whysall.

The Panel did not uphold the complaints made by Mr. S.

(Exempt under Paragraph 2 of the Act – information likely to reveal the identity of an individual)

J29. LITTLE LONDON, MALTBY - RESPONSE TO RESIDENT PETITION.

Consideration was given to the report presented by the Director of Housing and Neighbourhood Services that related to the investigations that had taken place following receipt of a petition relating to Little

London, Maltby (Minute No. J2 of 16th June, 2014, refers).

The report outlined the options that were available in response to concerns of local residents and the petitioners relating to the condition of the Little London area.

Resolved: - (1) That the work that is being undertaken to tackle the issue of decline in Little London be acknowledged.

(2) That the local Ward Councillors be informed about the work being undertaken.

(3) That a letter be sent to the Lead Petitioner to inform them of the work being undertaken.

(4) That an update report be brought to the Cabinet Member for Safe and Attractive Neighbourhoods in six months' time outlining the progress made against decline in Little London.

(Exempt under Paragraph 2 and 3 of the Act – information likely to reveal the identity of an individual and financial and business affairs)

ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET MEMBER

1.	Meeting:	Cabinet Member for Safe and Attractive Neighbourhoods
2.	Date:	Monday 1st September 2014
3.	Title:	Housing Investment Programme P4 July 2014
4.	Directorate:	Neighbourhoods and Adult Services

5.0 Summary

The purpose of this report is to update the Cabinet Member for Safe & Attractive Neighbourhoods on the status of the Housing Investment Programme at Period 4 July 2014.

6.0 Recommendations

It is recommended that the Cabinet Member for Safe & Attractive Neighbourhoods: receives and notes contents of the report, and approves additional funding for Private Sector Adaptations of £704,660 from Right to Buy receipts.

7.0 Proposals and Details

7.1 HIP Programme & Revisions

The budget process that led to the original Capital Programme for 2014/15 to 2016/17 ensured that the Council's capital investment plans were aligned with its strategic priorities and vision for Rotherham.

In order to maintain that strategic link, and make best use of the capital resources available to the Council, it is important that the programme is kept under regular review and where necessary revisions are made.

The following table provides an overview of the approved HIP programme for the period 2014-15 and previously approved revisions.

Description	Original Budget 2014-15 £	Original Budget + Approved Slippage	Revised Budget 2014-15 £ (approved 14 July 2014)
Refurbishments	11,995,000	12,626,687	13,197,786
Other Capital Projects	13,563,000	13,318,239	13,143,239
Fair Access to All (Adaptations)	3,389,000	3,389,000	3,389,000
Regeneration/ Neighbourhood Renewal – Public Sector	2,250,000	2,250,000	2,050,000

Regeneration/ Neighbourhood Renewal – Private Sector	971,000	1,314,074	1,484,074
HCA New build	2,836,000	2,836,000	2,836,000
Total	35,004,000	35,734,000	36,100,099

7.2 Details

7.2.1 Housing Improvement Programme 2014-15 Capital Works

Appendix A provides a detailed budget breakdown by scheme for 2014-15 based on the current approved HIP Programme for 2014-15 and it should be read in conjunction with the following explanations for works in 2014-15

7.2.2 Refurbishment

Budget £13,197,786

Forecast £13,197,786

This budget is to fund works for internal and external refurbishments to properties. Internal works will include elements such as new kitchen and bathrooms. External elements include re-roofing, external render, fascia's, soffits & bargeboard replacements and outhouse improvements.

Total spend to the end of July 2014 was £2,293,960. To date 486 properties have received works through this programme.

At the current time there are risks associated with the forecast spend as detailed below:

- **External Pointing and Rendering**

There have been delays in tendering 3 schemes at Thrybergh, Aston/ Aughton/ Swallownest and Treeton/ Brinsworth with a total estimated value of £1.5m. At the time of reporting the first two schemes are at tender, with Treeton/ Brinsworth due, following completion of Asbestos surveys, to go out to tender in early September 2014. This is a delay of over 2 months on all three schemes against planned date for tender. A meeting is planned with EDS to understand implications for the Capital Programme on 3 September 2014. The greatest risk is with Thrybergh which has an estimated value of £1.07m.

- **East Dene and Harthill Re-roofing**

There are potential risks with these two schemes associated with the presence of bats. Depending on the extent of roosting and subsequently during the winter months hibernating bats these schemes may face significant delays. At the current time the plan is to programme any properties that have bats present at the end of the scheme, clearly this strategy relies on only a small number of properties having bats present. Until works commence on site in late summer/ early autumn we are unsure what impact this will have on delivery of the scheme. This risk is monitored at

monthly capital programme meetings and if any significant delays are experienced with a subsequent impact on financial spend this will be reported back to Cabinet Member.

7.2.3 Other Capital Works –	Budget	£13,143,239
	Forecast	£13,122,725
	Variance	-£20,514

The sections below breakdown individual spend within the Other Capital Works budget and works complete to the end of July 2014.

7.2.4 Environmental Works –	Budget	£1,612,000
	Forecast	£1,612,000

This budget will fund a variety of projects throughout the borough some of which are currently subject to consultation with tenants and elected members. Current works on site include i) completing a trial property at Birks Holt, Maltby with cladding to the external porch area, ii) fencing and footpath improvements at Brameld Road, Rawmarsh. Other works still to commence include path way improvements at China Town, Maltby and replacement bin stores at Plantation Court, Dinnington. Spend to the end of July 2014 was £263,245.

7.2.5 Empty Homes –	Budget	£2,900,000
	Forecast	£2,900,000

This budget is to fund major voids where the cost exceeds £4,000. This often occurs when a previous tenant has refused decency works so properties require new kitchens and bathrooms etc. prior to re-letting. Spend to the end of July 2014 was £413,647 with a total of 54 major voids completed to date.

7.2.6 Replacement Communal Entrance Doors –	Budget	£890,754
	Forecast	£890,754

This is a continuation of the scheme in 2013-14 and will result in all communal entrances to flats having high security entrance doors fitted. Spend to the end of July 2014 was £157,286 with a total of 27 blocks complete.

7.2.7 Electrical Board & Bond –	Budget	£150,000
	Forecast	£150,000

This is a demand led service and is to fund electrical improvement works to properties (e.g. consumer units, rewires etc.) following fixed wire electrical testing. Spend to the end of July 2014 was £16,010 with a total of 28 completions.

7.2.8 Asbestos Removal & Testing –	Budget	£380,000
	Forecast	£199,383
	Variance	-£180,617

This budget is to fund asbestos surveys and removals to properties that are receiving planned capital improvement works. The forecast is lower than budget due to fewer surveys required for the 2014-15 capital programme. Total spend to the end of July 2014 was £18,925.

**7.2.9 Boundary Wall Treatments – Budget £100,000
Forecast £100,000**

This budget is to fund improvements to boundary/ retaining walls and footpaths throughout the borough. Works will be issued for tender at the end of August 2014.

**7.2.10 District Heating Conversion/ Upgrades – Budget £1,800,000
Forecast £1,725,903
Variance -£74,097**

This budget is to fund replacement district heating at Swinton Fitzwilliam estate and replacement distribution systems at sites throughout the borough and forms part of a 5 year programme to upgrade the District Heating systems. Total spend to the end of July 2014 was £19,026. Works are due to commence on site in September 2014.

**7.2.11 External Insulation – Budget £50,000
Forecast £50,000**

This will fund ad hoc top ups of insulation to external wall cavities and lofts. Total spend to the end of July 2014 was £4,046.

**7.2.12 New IT System – Budget £273,725
Forecast £507,925
Variance £234,200**

This budget is to fund the purchase and implementation of the new integrated Housing Management System. Cabinet member will recall approving additional costs of £241,075 to be funded from the HRA on 16 June 2014. At this time we have not amended the available budget as we may be able to fund from slippage elsewhere within the programme as we refine spend forecasts throughout the year. Total spend to the end of July 2014 was £27,900.

**7.2.13 General Structures - Budget £650,000
Forecast £650,000**

This budget is to fund remedial works to building structures and includes pointing, rendering, underpinning and damp proof works. Total spend to the end of July 2014 was £86,698

**7.2.14 Replacement of Central Heating/ Boilers - Budget £3,761,000
Forecast £3,761,000**

There is an ongoing programme of Central Heating replacements in order to reduce the revenue burden as a result of increasing repairs to Buderus and Alpha boilers. Total spend to the end of July 2014 was £781,262 with a total of 336 completions.

**7.2.15 Community Centre Improvements – Budget £100,000
Forecast £100,000**

This will fund essential upgrades to lighting and fire equipment within the centres. This does not reflect the forthcoming Community Centre Improvements at an estimated cost of £500,000. This will be released into the programme when the construction programme and costs estimates have been provided. It may be that these additional costs are funded from slippage on other schemes.

**7.2.16 Flat Door Replacements – Budget £75,760
Forecast £75,760**

This will fund completion of installing new fire doors to flats across the borough and is a result of slippage from 2013-14. There has been no spend within the current financial year as final accounts are being complete.

**7.2.17 Lady Oak Flats Environmental Improvements – Budget £400,000
Forecast £400,000**

This is a new project to undertake general environmental improvements, including upgrading of footpaths around Lady oak Flats, East Dene/ Herringthorpe. Negotiations are currently ongoing with EDS about costs for completing the wider scheme which includes assets under the ownership of the General Fund.

7.3 Fair Access to All

**7.3.1 Disabled Adaptations (Public Sector) – Budget £2,078,000
Forecast £2,166,998
Variance £88,998**

**7.3.2 Disabled Adaptations (Private Sector) – Budget £1,311,000
Forecast £2,015,660
Variance £704,660**

This will fund the ongoing provision of disabled adaptations to council and private dwellings. At the end of July 2014 spend on public sector adaptations was £390,120 with a total of 97 completions. For the same period spend on private sector adaptations was £426,391 with 109 completions.

Based on current forecast's it is anticipated both budgets will be overspent. At this time we will continue to monitor spend on public sector adaptations closely and take action if required to accommodate the forecast overspend at the end of quarter 2.

Given the significant forecast overspend on private sector adaptations it is intended to release funding of £704,660 from RTB Capital receipts to fund these works. This will comprise of £639,000 within current reserves and £65,660 of income generated from 2014-15 Quarter 1 RTB sales.

At the time of writing a further review of year end forecasts for private and public sector adaptations is ongoing. A verbal update will be given at the meeting on the outcome of this review.

7.4 Regeneration / Neighbourhood Renewal Public Sector

7.4.1 Non-Traditional Investment –	Budget	£1,400,000
	Forecast	£1,470,917
	Variance	£70,917

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

Total spend to the end of July 2014 was £646,835 with 92 completions.

7.4.2 Garage Site Investment –	Budget	£250,000
	Forecast	£250,000

This will fund improvement works to garage sites across the borough. Works will include re-surfacing to the highway, re-roofing, new doors and general environmental improvements. Works will be issued to contractors for pricing in September 2014.

7.4.3 New Build DPU Bungalows –	Budget	£300,000
	Forecast	£300,000

It is proposed to construct 4 DPU bungalows, 2 located in Kimberworth and 2 located in Thurcroft using cost savings generated to date through the Repairs and Maintenance contract with Morrison FS and Wilmot Dixon Partnerships. The reduction in budget is a result of only having Planning Permission in place for the site at Redscope, Kimberworth Park. A further site is now identified at Wadsworth Road, Bramley, but given lead time for design, planning permission and construction it is unlikely they will be complete within the current financial year.

7.4.4 Enabling Works (HRA Land) –	Budget	£100,000
	Forecast	£0
	Variance	-£100,000

There are currently no plans that will utilise this budget. Any requirement for enabling works will now be met from any underspends within other budgets within the capital programme.

7.4.5 Opportunity/ Strategic Acquisition –	Budget	£2,835,915
	Forecast	£2,835,915

This funding is part of a multi year commitment to acquire properties to add to the council's social housing stock through the 30 Year HRA Business Plan. Spend to the end of July 2014 was £432,936 with a total of 6 properties purchased in the period at Willow Tree Way, Wickersley.

7.5 Regeneration/ Neighbourhood Renewal Private Sector

7.5.1 Dinnington Transformational Change – Budget £1,200 Forecast £1,200

This project was funded through the Regional Housing Board and was the installation of temporary art work to Dinnington Town centre. This budget will fund the removal during 2014-15.

7.5.2 Canklow Phase 1 & 2 – Budget £720,531 Forecast £720,531

This is a multi-year programme of activity to regenerate an area within Canklow through Housing Market Renewal. The project is focused on demolition, buy back and refurbishment of public and private sector properties in the area. At the current time there are 3 properties subject to offers and 4 properties where negotiations are ongoing. Spend to the end of July 2014 was £118,336.

7.5.3 Bellows Road Service Centre Clearance – Budget £592,343 Forecast £592,343

This is an ongoing Housing Market Renewal scheme and includes the construction of new shop units and provision of new housing within the area. At the present time a planning application and lease agreement are pending for re-location of T-mobile telephone mast. Asbestos surveys and removal are all outstanding.

7.5.4 Monksbridge Demolition, Dinnington – Budget £80,000 Forecast £80,000

This is a new project and is to demolish 3 properties and reinstate land at 44-48, Monksbridge. The project is funded from Regional Housing Board grant funding ring fenced within the Capital Programme. It is anticipated works will commence on site in January 2015.

7.5.5 Doe Quarry Lane, Dinnington – Budget £90,000 Forecast £90,000

This is a new project and is to undertake boundary improvements to 43 properties. It is anticipated works will commence on site in September 2014. The project is funded from Regional Housing Board grant funding ring fenced within the Capital Programme.

8.0 Finance

8.1 Financial implications are contained within the body of this report. Any revenue implications from the revised programme have been fully reflected in the HRA's latest 2014/15 outturn revenue forecast.

If changes to funding for Private sector adaptations are approved the programme will be funded as detailed in the table below:

Funding	HIP £
RCCO	8,513,030
HRA Prudential Borrowing	2,836,000
MRA	21,955,995
Grants	1,283,597
GF Prudential Borrowing	0
Capital Receipts RTB	1,002,663
Capital Receipts	1,213,474
Total	36,804,759

9.0 Risks and Uncertainties

The Capital Programme is funded through a number of sources: borrowing, capital grants & contributions, revenue contributions and capital receipts. Any uncertainty over the funding of the Programme rests on confirmation that grants/contributions and capital receipts continue to be available in coming years. Where funding sources are volatile in nature the risks will be managed by continually keeping the programme under review.

Project/ scheme specific risks have been outlined within the body of the report.

10.0 Policy and Performance Agenda Implications

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

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

The preparation of the Medium Term Financial Strategy incorporating a profiled capital programme and the associated revenue consequences, together with regular monitoring, highlights the Council's commitment to sound financial management.

11.0 Background Papers and Consultation

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

Report Author

Paul Elliott, Business and Commercial Programme Manager; Neighbourhoods and Adult Services, paul.elliott@rotherham.gov.uk; Ext. 22494

Appendix A

	A	B	C	D	E	F	G	H	I
1		HIP PROGRAMME 2014-15 - POSITION AS AT PERIOD 4							
2									
3									
4			Budget		Manager's		Variance		%age
5			£		Forecast		(Over + /		(Over + /
6					£		Under -)		Under -)
7		REFURBISHMENT / IMPROVEMENTS					£		%
8		Refurbishment	12,986,378		12,986,378		0		0%
9		Windows	211,408		211,408		0		0%
10		REFURBISHMENT / IMPROVEMENTS TOTAL	13,197,786		13,197,786		0		0%
11									
12		OTHER CAPITAL WORKS							
13		Empty Homes	2,900,000		2,900,000		0		0%
14		Replacement of Central Heating / Boilers	3,761,000		3,761,000		0		0%
15		Replacement of Communal Doors (High Security)	890,754		890,754		0		0%
16		Environmental Works	1,612,000		1,612,000		0		0%
17		Electrical Board & Bond	150,000		150,000		0		0%
18		Community Centre Improvements (5 Year Programme)	100,000		100,000		0		0%
19		Boundary Wall Treatments	100,000		100,000		0		0%
20		Asbestos Removal & Testing	380,000		199,383		-180,617		-48%
21		Flat Door Replacement	75,760		75,760		0		0%
22		District Heating Conversions	1,800,000		1,725,903		-74,097		-4%
23		EPC Improvements	50,000		50,000		0		0%
24		New IT System	273,725		507,925		234,200		86%
25		Lady Oak Flats	400,000		400,000		0		0%
26		General structures	650,000		650,000		0		0%
27		Lift Replacement	0		0		0		NA
28		OTHER CAPITAL PROJECTS TOTAL	13,143,239		13,122,725		-20,514		0%
29									
30		ALL WORKS TO PROPERTIES TOTAL	26,341,025		26,320,511		-20,514		0%
31									
32		FAIR ACCESS TO ALL							
33		Public Adaptations	2,078,000		2,166,998		88,998		4%
34		Private Adaptations	1,311,000		2,015,660		704,660		54%
35		FAIR ACCESS TO ALL TOTAL	3,389,000		4,182,658		793,658		23%
36									
37		REGEN. / NEIGHBOURHOOD RENEWAL							
38		PUBLIC SECTOR							
39		Non-Traditional Investment	1,400,000		1,470,917		70,917		5%
40		New Build DPU Bungalows	300,000		300,000		0		0%
41		Enabling works - HRA Land development	100,000		0		-100,000		-100%
42		Garage Site Investment	250,000		250,000		0		0%
43		Public Sector Sub Total	2,050,000		2,020,917		-29,083		-1%
44									
45		PRIVATE SECTOR							
46		Dinnington Transformational Change (RHB)	1,200		1,200		0		0%
47		Monksbridge Demolition, Dinnington	80,000		80,000		0		0%
48		Doe Quarry Lane, Dinnington	90,000		90,000		0		0%
49		Canklow Phase 1 & 2	720,531		720,531		0		0%
50		Bellows Road Service Centre Clearance	592,343		592,343		0		0%
51		Private Sector Sub Total	1,484,074		1,484,074		0		0%
52									
53		REGEN. / NEIGHBOURHOOD RENEWAL TOTAL	3,534,074		3,504,991		-29,083		-1%
54									
55		OTHER PUBLIC SECTOR							
56		HCA NEW BUILD							
57		Opportunity Acquisition	2,836,000		2,836,000		0		0%
58		Carry Over from 11-12 New Builds	0		0		0		NA
59		OTHER PUBLIC SECTOR TOTAL	2,836,000		2,836,000		0		0%
60									
61		SUB TOTAL 2	9,759,074		10,523,649		764,575		8%
62									
63		TOTAL CAPITAL PROGRAMME	36,100,099		36,844,160		744,061		2%

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Cabinet Member for Safe and Attractive Neighbourhoods
2.	Date:	Monday 1st September 2014
3.	Title:	Neighbourhoods General Fund Revenue Budget Monitoring 2014/15
4.	Directorate:	Neighbourhoods and Adult Social Services

5. Summary

This Budget Monitoring Report provides a financial forecast for Neighbourhoods General Fund within the Neighbourhoods & Adult Services Directorate to the end of March 2015 based on actual income and expenditure for the period ending June 2014.

The forecast for the financial year 2014/15 is an overall forecast under spend of (-£24k) against an approved net revenue budget of £574k.

6. Recommendation

That the Cabinet Member receives and notes the latest financial projection against budget for 2014/15

7. Proposals and Details

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

SERVICE AREA	Net Budget	Forecast Outturn	Variance from Net Budget Deficit/ (Surplus)	% Variation to Net Budget
	£000's	£000's	£000's	%
Strategic Housing & Investment	97	106	9	9.3
Housing Options	-1,309	-1,349	-40	-3.0
Housing & Communities	231	215	-16	-6.9
Central	323	323	0	0
Business Regulation	140	134	-6	-4.3
Safer Neighbourhoods	1,092	1,121	29	2.6
TOTALS	574	550	-24	-4.2

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

7.1 Strategic Housing & Investment Service (SHIS) (+£9k)

The SHIS team budget has a pressure of +£9k mainly as a result of anticipated pressures on staffing budgets as a result of lower than anticipated staff turnover.

7.2 Housing Options (-£40k)

This area is projecting an overall under spend of (-£40k). Homelessness & Dispersed units areas are projecting a balanced budget.

There is a projected surplus of (-£5k) within the Private Sector Adaptations Service as a result of an increase in fees and charges plus an anticipated (-£35k) saving on Furnished Homes as a result of higher than anticipated staff turnover.

7.3 Housing & Communities (-£16k)

This service area is projecting an overall under spend of (-£16k) consisting of an (-£10k) projected under spend on Community Safety Unit, mainly as a result of some additional funding from the HRA over budget. There is also a small (-£3k) anticipated saving on transport costs on the Area Assemblies Management and Administration cost centre and some small projected supplies and services savings of (-£3k) on Area Assemblies cost centres.

7.4 Central (Balanced)

It is anticipated that this area will result in a balanced budget at year end.

7.5 Business Regulation (-£6k)

Overall Business Regulation is projecting a (-£6k) under spend. Pressures on employee costs within Health and Safety, Food and Drugs and Animal Health budgets totalling +£20K are being offset by savings within Trading Standards mainly due to higher than expected staff turnover (-£22k) and Licensing (-£4k) due to a staff vacancy.

7.6 Safer Neighbourhoods +£29k

There is an anticipated overspend on Community Protection mainly as a result of lower than anticipated staff turnover £24k and a small projected overspend on Landfill sites of £5k in respect of statutory Health and Safety work.

7.7 Agency & Consultancy

To date there has been no expenditure on Agency or Consultancy.

7.8 Non Contractual Overtime

There has been no expenditure to-date on non-contractual overtime within Neighbourhoods.

8. Finance

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

9. Risks and Uncertainties

These forecasts are based on financial performance to the end of June 2014. The forecast outturn is dependent on delivery of planned management actions being achieved and thus effective and tight financial management practices remain essential including holding monthly budget clinics with the Service Director and senior managers.

10. Policy and Performance Agenda Implications

The delivery of the Council's Revenue Budget within the limits determined in March 2014 is vital to achieving the Council's Policy agenda. Financial performance is a key element within the assessment of the Council's overall performance.

11. Background Papers and Consultation

- Report to Cabinet 26 February 2014 – Proposed Revenue Budget & Council Tax 2014/15.

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

Contact Name:

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ROTHERHAM BOROUGH COUNCIL - REPORT TO MEMBERS
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1.	Meeting:	Cabinet Member for Safe and Attractive Neighbourhoods
2.	Date:	Monday 1st September 2014
3.	Title:	Housing Revenue Account Budget Monitoring Report 2014/15
4.	Directorate:	Neighbourhoods and Adult Services

5. Summary

This budget monitoring report presents the forecast outturn position on the 2014/15 Housing Revenue Account (HRA) based upon actual income and expenditure to the end of June 2014.

The overall forecast is that the HRA will outturn on budget with a transfer from working balance (reserves) of £1.393m which is a reduction of £46k against the approved budget.

6. Recommendations

- **That Cabinet Member receives and notes the latest financial projection against budget for 2014/15.**

7. Proposals and Details

- 7.1** This budget report is based upon actual income, expenditure and known commitments as at the end of June 2014 forecast to the end of the financial year to give a projected outturn position, compared to budget.
- 7.2** Appendix A of this report provides the Budget Operating Statement for 2014/15 which shows the various income and expenditure budget lines which make up the net cost of delivering the service. The latest forecast net cost of service is -£7.049m which, together with Revenue Contribution to Capital (RCCO) costs of £8.513m and interest received (-£70k) will result in an overall deficit of £1.393m to be transferred from Working Balance.
- 7.3** Within the Operating Statement are several budget heads which are either year end adjustments (for example debt management costs £210k) or are subject to external influence and therefore outside direct control (for example cost of capital charges £14.492m).
- 7.4** Budget Monitoring is therefore focussed upon expenditure and income which is within control, i.e. income of £82.509m, the repair and maintenance budget of £19.072m and supervision and management of £20.652m. Other budget heads as seen within Appendix A are currently being forecast to outturn in line with budget.

7.5 Budget Monitoring

- 7.5.1** Appendix A, column B demonstrates the projected outturn based upon activity to the end of June 2014.
- 7.5.2** Overall it can be seen that the net cost of service (before RCCO and interest received) is forecast to be -£7.049m, a surplus of £46k as shown in the table below.

	Budget £000	Forecast £000	Variance £000
Expenditure	75,506	75,460	-46
Income	-82,509	-82,509	0
Net Cost of Service	-7,003	-7,049	-46

- 7.5.3** At this early stage of the financial year most budget lines within income and expenditure are forecasting to budget. Only supervision and management is forecasting a variance to budget.

7.6 Expenditure

Column B of Appendix A demonstrates that based upon expenditure and commitments to date, total expenditure is forecast to outturn at £75.460m compared to a budget provision of £75.506m, a decrease in spend of £46k. The main variations are as follows:

7.6.1 Contributions to Housing Repairs

Appendix A demonstrates that the forecast year-end spend on Repairs and Maintenance is currently forecasting to budget of £19.072m.

The empty homes budget is difficult to forecast as this is a very responsive service. The original budget has been increased to an estimated 1,700 minor voids in year, an increase of approximately 200 compared with last year. At the end of quarter 1 there were 38 less completions than budgeted. However, the actual number of voids completed is increasing due to the impact of the Welfare Reform as tenants transfer to smaller properties.

There is a slight overspend at this stage on planned works mainly around damp-proofing works and fluctuations in overhead costs due to additional revenue works. This is offset by forecast under spends within Responsive repairs and Empty Homes due to additional income from tenant recharges.

7.6.2 Supervision and Management

Column B of Appendix A demonstrates that based upon expenditure and commitment to date, total expenditure is forecast to outturn at £20.606m, a forecast overall under spend of £46k, mainly due to lower than expected staff turnover.

7.7 Income

7.7.1 Column B of Appendix A shows that based upon income received to date the total forecast income collectable is to budget at £82.509m. There are no variations to report at this stage.

7.8 Summary

In summary it can be seen in foregoing paragraphs 7.6 and 7.7 that the variance to budget of -£46k when comparing the forecast net cost of service against the budget of £7.003m is due to variances within the Supervision and Management. . **Finance**

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

Based upon the current forecast out-turn position on the net cost of service, the forecast transfer from balances will reduce from £1.439m to £1.393m, a reduction of £46k. The reduction in contribution from reserves is a result of an under spend within supervision and management.

9. Risks and Uncertainties

- **Inflation – Non Contractual** –The 2014/15 budget was formulated around an inflation assumption of nil (except on utilities); if inflation rises costs may exceed budget provision. It should be noted that the inflationary increase on the repair and maintenance contract is locked in for the financial year at 2.7 % and this has been provided for within the budget set.
Mitigation: Ongoing monitoring
- **Vacancy Factor**
Salaries budgets assume various levels of vacancies. If vacancies do not arise this could lead to salary costs in excess of budget.
Mitigation: In depth monitoring and forecasting of salary budgets.
- **Repair and Maintenance Voids.** Whilst the current empty home forecast is considered to be a prudent projection based upon 1,500 minor voids, it should be noted that the final number of voids received and completed in year could change. Any change in numbers or values will impact on expenditure.
Mitigation: Ongoing monitoring and triangulation with contractors. Any forecast increase in expenditure will be offset by a reduction in planned revenue works.
- **Rental Income**
Net rental income has been calculated on the basis of 2% void loss. Any increase / decrease on the actual levels of voids will impact on the level of income achieved.
Mitigation: Ongoing monitoring.
- **Impairment of Fixed Assets**
HRA Self Financing legislation has resulted in the costs of impairment/revaluation of non-dwellings becoming a real charge to be met by the HRA.

This figure cannot be calculated until year end after the asset register has been fully updated. In 2013-14 the impairment charge was £16k and the revaluation of Fixed Assets was a credit of £482k.

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

10. Policy and Performance Agenda Implications

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

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

11. Background Papers and Consultation

- Budget and Council Tax Setting Report (2014/15) to Cabinet February 2014
- Director of Finance and Director of Housing and Neighbourhood Services have been consulted on the preparation of this report.

Contact Name:

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

Housing Revenue Account - Budget Operating Statement

Narrative	A	B	C
	2014/15 Full Year	2014/15 Forecast	
	Budget	Out-turn	Variance
	£	£	£
Expenditure			
Contributions to Housing Repairs Account	19,072,350	19,072,350	0
Supervision and Management	20,652,000	20,605,518	-46,482
Rents, Rates, Taxes etc.	186,500	186,500	0
Provision for Bad Debts	987,800	987,800	0
Cost of capital Charge	14,491,700	14,491,700	0
Depreciation of Fixed Assets	19,905,970	19,905,970	0
Deferred Charges	0	0	0
Impairment of Fixed Assets	0	0	0
Debt Management Costs	210,000	210,000	0
Expenditure	75,506,320	75,459,838	-46,482
Income			
Dwelling Rents	-77,427,560	-77,427,560	0
Non-dwelling Rents	-805,430	-805,430	0
Charges for Services and facilities	-3,987,300	-3,987,301	0
Leaseholder Income	-50,900	-50,900	0
Other fees and charges	-238,300	-238,300	0
Contribution to Expenditure	0	0	0
HRA Subsidy receivable (Major Repairs Allowance)	0	0	0
Income	-82,509,490	-82,509,491	0
Net Cost of Services	-7,003,170	-7,049,653	-46,482
Amortised premia - Debt redemption	0	0	0
Interest received	-70,000	-70,000	0
Net Operating Expenditure	-7,073,170	-7,119,653	-46,482
Appropriations:			
Transfer from Capital Finance Account- Deferred	0	0	0
Revenue Contributions to Capital Outlay	8,513,030	8,513,030	0
Transfer from Capital Finance Account- Impairment	0	0	0
Transfer from Major Repairs Reserve	0	0	0
Transfer from Reserves	-1,439,860	-1,393,378	46,482
Surplus/Deficit for the year	0	0	0

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Cabinet Member for Safe and Attractive Neighbourhoods
2.	Date:	1 st September 2014
3.	Title:	Rotherham Furniture Solutions – Sale and Disposal of Goods Policy
4.	Directorate:	Neighbourhoods and Adult Services

5. Summary

Following an internal Audit of the Rotherham Furniture Solutions (RFS) Service in February 2014 an Audit Report was presented to DLT in May 2014 highlighting the improvements necessary to enable the service to meet financial regulations, one of the proposals was to devise “a *Sale of Goods Policy*” and that this “*be submitted to DLT and Cabinet Member for approval.*” This report gives an overview of the policy describing what management systems will be implemented to minimise risk of fraud.

6. Recommendations

Cabinet Member is asked to:

- **Approve the sale and disposal of used furniture within the RFS scheme**
- **Approve the RFS Sale and Disposal of Goods Policy *Appendix 1***

7. Proposals and Details

7.1 Background

An audit of the RFS scheme took place in February 2014. The purpose of this audit was to check adequacy of controls for the administration of the RFS scheme. The scheme has been extremely successful since its inception in 2003-04 and has grown to have a turnover in excess of £60,000 per week.

One of the key findings of the internal audit was that RMBC Financial Regulations had not been followed; this was in relation to the sale of items that could not be recycled within the Furnished Home Scheme.

Section C5: Assets: Responsibilities of Chief Officers states:

- To ensure that any surplus plant, vehicles, furniture or equipment is sold by public tender or auction unless the financial interest of the Authority is better served by disposal in some other way.
- Not to sell assets to an officer of the Authority without the approval of the Director of Finance.

Items that could not be reused back within the scheme due to cosmetic damage but were operational have in the past been sold to avoid waste, these sales included sales to charitable agencies, Council Tenants and the general public. Sales of workable goods generate an income for the Council and also provide space for stock items that could be recycled back within the scheme. Although this process had been identified in a prior CSART report in 2011 no formal approval for the sale of items has been given.

Following the approval of the RFS Audit Action Plan by DLT in May 2014 a Sale of Goods Policy has been produced as per one of the recommendations within the report.

7.2 Proposals

The RFS Sale and Disposal of Goods policy (Appendix 1) meets the requirements set out in the Audit Action by:

- Ensuring that the scheme, when selling goods, is operating within the remit of corporate financial regulations set out above.
- Makes clear the rules of how items are sold and who they are sold to.
- Ensures that management systems are in place to prevent fraud.
- Sets out the processes by which items are assessed and the decision making hierarchy of who items can be sold to.

- Maximises the use of furniture assets to ensure Best Value and income generation for the Council.
- Highlights the process for disposal of items that cannot be either recycled within the furnished tenancy scheme or sold as second hand due to them being beyond economic repair.

7.3 Stock Determination

When items are either returned via a void clearance or returned as unwanted by a customer an assessment will take place by a Maintenance Officer. The officer will carry out a function/condition test which is recorded on a condition report; the condition report also records the journey of the item once the item has returned to the warehouse.

The condition inspection and test consists of:

- Function and Electrical test if appropriate
- Cleanliness report
- Age of Item

If the item is functional, has passed safety checks and is of a good cosmetic condition then the item is marked and recorded as stock for recycling back within the Furnished Home Scheme

If the item is functional, has passed safety checks but is of a poor standard cosmetically then the item is assessed as Second Hand - For Sale.

Items are then placed in the appropriate aisle within the warehouse and recorded on the asset management system accordingly. Sample checks on the appropriate determination of stock will be carried out by the Maintenance Supervisor Weekly.

7.4 Sale of Second Hand Items

When second hand goods are identified and all other internal furniture requirements have been met by ensuring that there are no outstanding internal orders waiting stock. A hierarchy of sales will be followed:

- A. Council Tenants within the scheme and residents entering private rented accommodation via homeless prevention or homelessness, and individuals who have obtained a LASER loan to purchase furniture.
- B. Charitable organisations/Not for profit organisations (Housing Associations, other local authorities)

At present there is no need to advertise goods as the service has a current list of organisations/charities that regularly contact the service to enquire about the availability of second hand items for sale.

We are proposing to put tighter regulations in place than the Council's financial regulations; it is therefore recommended that employees are *not* able to purchase items to ensure transparency.

Items that are for sale will not be sold via auction methods, any purchase requests from either organisations or individuals will be made via the official order form and to the set price via either the Councils "Web Pay" or corporate "Sundry Debtors Invoice" process, (*Sundry Accounts Debtors Policy 2007*) this will ensure that financial regulations are being adhered to.

When an item is sold and no longer a Council asset, this will be reflected within the Asset Management System "WASP" and recorded as "Asset Sold".

Purchasing trends, names of customers and types of items are to be monitored by the Furnishing Accommodation Coordinator. This will minimise the risk of items being purchased for resale for financial gain by customers. This will be monitored monthly and form part of the service quality assurance checks.

7.5 Disposal of Goods

Items that are beyond economic repair and/or suffer from major cosmetic damage and cannot be reused or sold will be disposed of. Items identified as requiring disposal will be checked by the Maintenance Supervisor or in their absence the Furnishing Coordinator. Disposal of items will be recorded within the Asset Management System "WASP" as asset disposed of "scrap" for income generated white goods or "waste" for brown goods. This will enable the service to identify and set targets for waste reduction.

To summarise the management controls will include:

- Returned items will be assessed, tested and cleaned to maximise furniture recycling this will be checked by the Maintenance Supervisor.
- Records will be created within the WASP and labelled appropriately.
- Spot checks to ensure items have been marked and labelled appropriately will be carried out by the Furnished Accommodation Co-ordinator monthly and will be part of the monthly QA checks.
- All items that fail functionality testing and being uneconomic to repair will be checked by the Maintenance Supervisor prior to disposal.
- Disposal of items will be recorded and input into the WASP system.
- Sale of goods will be processed by Property Management Officers with orders and invoices recorded within the Furnished Data base – records will be kept for 6 years.
- All payments will be processed through the Council's corporate payment channels (Sundry Debtors Invoice and Web Pay) or by cash by the customer at a payment office (Riverside House)
- Property Management Officers will ensure all payments are made promptly and will monitor payments weekly via the automated report generated, this will be QA checked by Furnished Coordinators monthly.
- The Property Services Manager will monitor to ensure QA checks are being carried out monthly and that roles and responsibilities are outlined in

employees PDR's, with any training requirements being met and the that this policy is reviewed annually.

- The asset management system "WASP" will be set up with a hierarchy to ensure roles and tasks match that of officer responsibility.

8. Finance

Detailed below are the sales to third parties since April 2012-13:

Year	No. of sales	Value of sales £	No. of sales to third party organisations	Values of sales £ to third party organisations	No. of sales to private customers	Values of sales £ to private customers
2012-13	104	28,398	60	21,757	44	6,641
2013-14	212	49,975	96	23,873	116	26,102
	316	78,373	156	45,630	160	32,743

The total number of sales to staff has been minimal, over a 2 year period this accounted for 3.71% of the total transactions and less than 1% of the value of sales. During 2012/13 of the 44 sales to private customers, 2 were sales to staff and during 2013/14 of the 116 private sales 10 were to staff. No member of staff has purchased more than one item. There have been no sales staff during 2014/15.

The total income of the RFS scheme in 2013-14 was £3,023,995. When operating costs are accounted for this generated a surplus of £1,345,603.

Since commencing sales to third parties an additional income of £78,373 has been received by the Furnished Homes scheme since 2012-13. Until formal approval has been received for the Sale of Goods Policy these sales have been suspended unless to a tenant exiting the scheme. Future year income levels are expected to be similar to last year and may increase depending on items being returned by customers.

A review of charges for Goods for Sale will be made annually.

9. Risks and Uncertainties

If the policy is not approved items that could be sold will have to be disposed of which could mean a loss of income to the Council to the approximate value of between £30,000 - £50,000 per year.

11. Policy and Performance Agenda Implications

Financial procedures play an important role in both informing and influencing all elements of Risk Management. Risk Management is one of the dimensions of good Corporate Governance. It is all encompassing and impacts on all areas of the Council's Policy and Performance Agenda.

12. Background Papers and Consultation

Audit report – Rotherham Furnished Homes Scheme 28 March 2014

DLT Report - Rotherham Furnished Homes Audit Action Plan Approval 13 May 2014

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Rotherham Furniture Solutions (RFS) Sale and Disposal of Goods Policy

June - 2014

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1.0 Background

Rotherham Furniture Solutions (RFS) is the Council's Furniture Service that delivers the Furnished Tenancy Scheme to new tenants in Rotherham. The scheme has been operational since 2004 and was reviewed in 2009 to include more choice and flexibility for customers. The service has become extremely popular with new tenants to such an extent that the Council now has over 3000 furnished tenancies.

When a tenant wishes to leave their furnished tenancy or return items, the service has to either dispose or recycle items to a condition that they can be reissued back into the scheme.

Sometimes due to dents, scratches and general wear and tear items are not cosmetically viable to be reused back within the Furnished Tenancy Scheme, therefore alternative uses have to be sought to avoid disposal of workable items to ensure Best Value. This includes utilising used furniture in the Council's emergency accommodation properties for homeless applicants, furnishing emergency decants and also selling to Council Tenants, charitable agencies.

2.0. Key Aims of Policy and Procedure

The primary aim of this policy is to:

- Ensure that the scheme, when selling goods is operating within the remit of corporate financial regulations and legislative requirements
- Make clear the rules of how items are sold and who they are sold to.
- Ensure that robust management systems are in place to prevent fraud.
- Sets out the processes by which items are assessed and the decision making hierarchy of who items can be sold to
- Maximise the use of furniture assets to ensure Best Value and income generation.
- Have a written process of the services returns procedure for customers who purchase second hand items. .
- Highlight the process of the disposal of items that cannot be either used back within the furnished tenancy scheme or sold as second hand due to them being unrepairable therefore obsolete.

3.0. Legal and Regulatory Framework

The policy will also have regard to the legal and regulatory framework, in particular:

- Financial Regulations: Guidance Note 7 – Disposal & write off procedures of moveable assets.
- Financial Regulations: Section C5

- To ensure that any surplus plant, vehicles, furniture or equipment is sold by public tender or auction unless the financial interest of the Authority is better served by disposal in some other way.
- Not to sell assets to an officer of the Authority without the approval of the Director of Finance. We have tighter regulations than the Council's financial regulations; which means that employees are not able to purchase items to ensure transparency.
- Sales of Goods Act 1979.

4.0. Furnished Homes Scheme

Rotherham Furniture Solutions (RFS) operates the Furnished Homes Scheme; it is part of the Housing Options Service within Housing and Neighbourhoods Services. The scheme was set up in May 2004. The objective of the scheme is to offer Council tenants assistance in setting up and sustaining their home by offering a personalised furniture service. The scheme links and contributes to the Council's Corporate Plan priority 4 *"Helping people to improve their health and wellbeing and reducing inequalities within the borough"*.

Tenants can choose from a selection of furniture packs that are banded and charged according to the number of items. The items include furniture, white goods, and carpets. The tenant may choose carpets only or a furniture and carpets option. All charges are applied per week and form part of the weekly Housing rental charge. The service has over 3000 furnished tenancies which generates a weekly charge of approx. £60,000.

5.0. How the Scheme Operates

The new tenant can choose to have a furniture pack if they have been re-housed into a Council property, if the customer wishes to take up the option of having their property furnished they can place an order when signing for the property with the Choice Based Lettings (CBL) team.

There are 4 different packs for the customer to choose from, the packs are grouped into 4 categories; the categories are split depending on the number of items, this also determines the weekly furniture charge to be applied to the customers rent account. Customers can choose up to a certain band level depending on what size property they are signing for, however all can choose carpets if they wish.

Customers can choose from the following items:

- 2 Seat Sofas
- Arm Chairs
- Fridge
- Cooker
- Fridge Freezer
- Washing Machines
- Dining Table and Chairs
- Single Bed
- Double Bed

- Wardrobe
- Chest of Drawers

Customers can chose carpets only if they wish and will be charged the weekly amount accordingly. The items provided could be a mixture of new and refurbished furniture.

3.1 Furniture Pack Options				
	Bronze	Silver	Gold	Platinum
	1 - 3 Items	4- 5 Items	6 - 9 Items	10 - 14 Items
1 Bed	✓	✓		
2 Bed	✓	✓	✓	
3 Bed	✓	✓	✓	✓
4 + Bed	✓	✓	✓	✓
Band Charge	£9.68	£15.29	£24.74	£34.91
+Carpets	£20.11	£25.72	£35.17	£45.34
Carpets only	£10.43			

*Note all charges are applied per week and form part of the weekly rental charge.

6.0. Recycling & Second Hand Furniture

Not all items that are provided to tenants as part of the scheme are new – where possible the service will clean and recycle items that have been returned to us and re-use back within the scheme, this saves the Council thousands of pounds in buying new furniture and ensures Best Value.

Any items that are returned by tenants when they terminate their furnished tenancy or they just wished to swap an item are assessed with a condition report, the assessment will identify what repair or cleaning will be required to bring the items up to standard for re-use within the scheme.

Items that are assessed and are found to have cosmetic defects that cannot be repaired but are still in working order will not be reused back within the scheme. These items will be put up for sale as second hand stock.

6.1. Furniture Condition Assessment

When items are either returned via a void clearance or returned as unwanted by a customer an assessment will take place by a Maintenance Officer. (*Appendix 1 Condition Report*) the condition report also records the journey of the item once the item has returned to the warehouse. Maintenance Officers are responsible in the assessment of the condition of the

item, however will seek guidance of the Senior Maintenance Officer if they are unsure of the categorisation of the item. The assessment includes the identification of:

- Cosmetic Damage
- Working Condition
- Cleanliness
- Age of Item

The outcome of the report will determine if the item is to be reused within stock, sold or if unrepairable - disposed of.

White goods are electrically tested to make sure they are working and safe for re-use. If the item isn't working and is unrepairable then the item will be disposed of appropriately, and if metal will be "weighed in" for scrap. The income from scrapping white goods is directly paid into the budget code.

6.2. Recycled Items

Items that have minimal to no physical external damage are cleaned, PAT tested and recorded on the Asset Management System as "Recycled" stock. These items are to be reused within the Furnished Tenancy Scheme. These items are provided to new tenants entering the scheme or to existing tenants wishing to swap items within the conditions of the scheme.

6.3. Second Hand Items

Items that have been assessed and tested that are in working order but suffer from cosmetic damage, including scratches, dents and marks that cannot be reused back within the Furnished Scheme will be marked as second hand, a hierarchy of how these items are used/sold will be adhered to. Items that are deemed second hand will be prioritised for internal use as follows:

- A. Emergency Accommodation replenishment
- B. Housing Management Emergency Decant furnishing.

These services are in house and part of Home Services; any items used within these properties will be marked in WASP as "disposal" "Emergency Accommodation"

If there is still surplus second hand items in stock then these items will be prioritised for sale as follows:

- A. Council Tenants and residents entering private rented accommodation via homeless prevention or homelessness, and customers that have obtained a LASER loan wishing to purchase furniture.
- B. Charitable organisations/Not for profit organisations (Housing Associations, other local authorities)

Category A orders will take priority over second hand goods stock, if there are no outstanding orders in category A for individual items, then category B will be able to purchase items available, the Property Management Officer will check the Second Hand

Order Database to ensure there are no outstanding orders from category A customers prior to ordering for category B customers.

With all sales of second hand goods the onus will be on the customer to contact RFS regarding furniture availability. If the service has a surplus of stock that is preventing the space required for recycled furniture, RFS will actively contact known customers from category B to inform of availability and stock.

6.3.1. Sale of Goods

The sale of goods that are damaged and cannot be recycled will only be allowed if a surplus of second hand stock is identified. After all other internal furniture requirements have been met, ensuring that there are no outstanding internal orders waiting stock. Prices for second hand items for sale are identified on the second hand order form (*Appendix 2*). The order form number will be completed sequentially to ensure that orders are fulfilled in order and that a track of orders can be kept, the order number will be generated from the RFS database.

Surplus stock Items that are for sale will not be sold via auction methods, any purchase requests from either organisations or individuals will be made via the official order form and to the set price as stipulated on the form. All orders will be sequentially numbered to ensure that orders can be traced and processed in order.

Sales to organisations will occur via the existing invoicing processes; this means that any charitable not for profit organisations wishing to purchase items will have to provide:

- organisation name, address telephone number
- contact name & department
- valid purchase order number

This is to ensure that RFS can send the appropriate invoice for payment. Items sold to organisations can be collected from Parkgate Court, negating a delivery charge, delivery can be requested but this will be chargeable and stipulated on the order confirmation.

Invoices are monitored weekly by Property Management Officers via the Sundry Debtors report received weekly to ensure payment has been received before goods are delivered.

As part of the financial safeguards of the scheme, there are no sales to staff and any furnished tenancy customers wishing to exit the scheme will be able to purchase second hand furniture to ensure that they can sustain their tenancy; if a customer has carpets however due to their nature they are unable to purchase these.

Any items sold to individual's tenants or to LASER customers will need to follow the same order process, ensuring that the items are requested via the official order form. Items that are ordered by individuals will need to be paid for prior to the delivery of items. Customers can pay via the Council's "web pay" or the service can set up an invoice to be paid at Riverside House. Items cannot be collected by individual customers, unless approval has been sought from the Home and Property Services Manager. Items that are delivered will be subject to a delivery charge identified on the initial order form.

When an item is sold and no longer a Council asset, this has to be reflected within the Asset Management System “WASP”. Confirmation of delivery instigates the input of disposal type “sold” within the system; the responsibility to input this data is that of the Property Management Officer’s.

All information regarding the sale of items will be retained in the Rotherham Furniture Solutions Operational Database (*Live September 2014*) Records will be retained for a minimum of 6 years.

6.4. Price List

Prices for each individual second hand item will be set by the Home Services Manager annually, and will reflect market value of similar second hand products whilst remaining affordable for the customer group we are selling to. This will avoid prices being open to interpretation and will ensure a fair and equitable pricing structure. Benchmarking with similar services in both the public and private sector will take place to ensure that the prices are both reasonable and competitive.

6.5 Monitoring of the Sale of Goods

Purchasing trends are to be monitored by the Furnishing Accommodation Coordinator to ensure bulk purchasing or purchasing for resale and financial gain is not taking place and taking advantage of affordable furniture prices. This will be monitored monthly and form part of the service Quality Assurance checks, any anomalies or suspicious purchases will be notified to the Housing Options Manager, who will instigate an investigation into any sales.

To minimise the risk of internal fraud no items will be eligible for sale to employees of RMBC.

The Home and Property Services Manager will monitor monthly income generated from the sale of items through budget monitoring.

6.6. Returns Policy

A consumer has rights where goods are faulty or not as described, therefore all items sold will identify its condition and state the item is “second hand”.

Under the Sale of Goods Act 1979, a consumer may be entitled to a refund, replacement, repair and/or compensation where goods are faulty or not as described.

If this is the case the customer will be required to provide:

- Receipt of purchase (Invoice/web pay receipt)
- That the items have not been tampered or altered in any way.
- Unwanted items are returned within 14 days of purchase
- Faulty items will be repaired or replaced, within 1 calendar month of purchase.

The following policy statement is displayed on the official order form:

'Returns policy - If you change your mind about your purchase, please return the unused goods and in the condition received with proof of purchase within 14 days and we will offer you an exchange. This does not affect your usual consumer rights, including your right to claim a refund, replacement, repair and/or compensation where the goods are received as faulty or mis-described.'

Card payments that are refunded will be refunded via Council's Web Pay System, Cash refunds will be made via a check requisition, and this will ensure that ALL refunds are recorded via the Council's payment systems.

All refunds and exchanges will be reconciled on the RFS Data Base against the customer record.

7. Disposal of Goods

Items that are not repairable and/or suffer from major cosmetic damage and cannot be reused or sold will be disposed of. Items identified as requiring disposal will need to be checked by the Maintenance Supervisor or in their absence a Furnishing Coordinator, prior to the disposal and approve "to be disposed of" this will be recorded within WASP as disposed "scrap".

White goods will be noted on the scrap income form, and recorded against the item serial number and/or barcode. The Maintenance Officer taking the items for scrap is responsible for recording this data and includes the number of items, type of item, weight and amount (£) to be received, this amount is directly transferred to the Furnished Budget as income, no money or cheques are exchanged as this is now illegal, accounts with the Council have been set up to ensure an automated payment process is in place.

Note: The scrapping of fridges does not generate income and actually costs the service to dispose of them, this is chargeable as is the disposal of brown goods such as sofa's, mattresses, tables and chairs etc.

To summarise, the management controls will include:

- Returned items will be assessed, tested and cleaned to maximise furniture recycling this will be checked by the Maintenance Supervisor.
- Records will be created within the asset management system WASP and labelled appropriately.
- Spot checks to ensure items have been marked and labelled appropriately will be carried out by the Furnished Accommodation Coordinator monthly and will be part of the monthly QA checks.
- All items that fail functionality testing and being economic repair will be checked by the Maintenance Supervisor prior to disposal.
- Disposal of items will be recorded and input into the asset management system.
- Sale of goods will be processed by Property Management Officers with orders and invoices recorded within the Furnished Data base – records will be kept for 6 years
- All orders will be sequentially numbered to ensure that orders can be traced and processed in order.
- All payments will be processed through the Council's corporate payment channels (Sundry Debtors Invoice and Web Pay).

- Property Management Officers will ensure all payments are made promptly and will monitor payments weekly via the automated report generated, this will be QA checked by Furnished Coordinators monthly.
- The Property Services Manager will monitor to ensure QA checks are being carried out monthly and that roles and responsibilities are outlined in employees PDR's, with any training requirements being met.
- The asset management system "WASP" will be set up with a hierarchy to ensure roles and tasks match that of officer responsibility.

Sale and Disposal of Goods Flow Chart - Appendix 3

8. Health and Safety

The Furnishing Scheme is delivered at a local level, via home visits, which supports the Council's commitment to providing greater accessibility to services, meeting social needs by helping to ensure a better quality of life, improving fair access and choice, protecting, keeping safe vulnerable people and specifically addresses the diversity agenda, by tailoring services to the needs of hard to reach groups.

Furniture items are tested by individual Maintenance Officers who are qualified to carry out PAT testing, these records will be monitored and be the responsibility of the Maintenance Supervisor to ensure records are kept up to date and stored appropriately and for the correct length of time, all items that are sold will have had a recorded PAT test prior to sale.

To ensure Health and Safety procedures are adhered to, the team work within the provisions of ETAB procedure. A copy of this procedure is available to all Housing Options staff. The ETAB procedure contained personal staff information and is therefore not published or available to non-Council members.

All deliveries are undertaken in line with the Furniture Delivery Risk Assessment which is reviewed periodically and to ensure the safety of employees and customers.

All accidents should be reported via the corporate accident reporting procedure. Any threats of violence or actual violence against staff will be reported to the police and legal action will be pursued against the perpetrator. Staff will work to the policy and guidelines on work related violence to employees in line with:

- The Health and Safety at Work Act
- The Management of Health and Safety at Work Regulations 1999
- Approved Code of Practice and guidance L 21

9. Safeguarding

All safeguarding issues will be reported to the Safeguarding Team as per the Council's safeguarding policy. Officers will also report all safeguarding issues directly to the Home Services Manager.

10. Complaints

All complaints are dealt with under the corporate complaints procedure. Advice and guidance for staff dealing with complaints can be found on the intranet. Advice for customers wishing to register a complaint can be gathered from:

http://www.rotherham.gov.uk/info/200119/customer_services/1081/making_a_complaint/1

Complaints can be made by writing in, emailing or telephoning.

11. Data Protection

The Council will comply with the Data Protection Act 1998 and Article 8 of the Human Rights Act and will show proper regard for the confidentiality of service users and employees personal information.

Rotherham Furniture Solutions will work within the guidelines of the Council's Data Protection Policy

12. Equality and Diversity

The Council will comply with the Equality Act 2010 and related legislation as per below:

- Equal Pay Act 1970
- Sex Discrimination Act 1975
- Race Relations Act 1976
- Disability Discrimination Act 1995
- Employment Equality (Religion and Belief) Regulations 2003
- Employment Equality (Sexual Orientation) Regulations 2003
- Employment Equality (Age) Regulations 2006
- Equality Act (Sexual Orientation) Regulations 2007

The Council will comply with all anti-discrimination legislation including:

- Human Rights Act 1998
- Carers (Equal Opportunities) Act 2004
- Civil Partnership Act 2004
- Gender Recognition Act 2004
- Work and Families Act 2006

Appendix 1 – Furniture Assessment Form

Item			Serial No.	
From				
	Date	Comments	Name/Signature	
In				
Function Test 1				
Repaired				
Cleaned				
PAT Tested				
Function Test 2				
Assessed For				
Out				
To				

Appendix2 Second Hand Goods Order Form

Goods For Sale Order form				
Order Form Number				
Customer Name				
Delivery Address				
Post Code				
Tel no:				
Delivery date		2nd Hand Price	Quantity	Total
Item		£40.00	0	£0.00
Dryer		£60.00	0	£0.00
Electric Cooker		£40.00	0	£0.00
Fridge (Larder)		£40.00	0	£0.00
Fridge (With Ice Box)		£60.00	0	£0.00
Fridge Freezer		£60.00	0	£0.00
Washer		£60.00	0	£0.00
2 1/2 Seat Sofa Leather		£80.00	0	£0.00
2 Seater Sofa Leather		£70.00	0	£0.00
2 Seater Sofa PVC		£60.00	0	£0.00
Armchair - Leather		£35.00	0	£0.00
Armchair - PVC		£30.00	0	£0.00
Armchair Charcoal Fabric		£25.00	0	£0.00
Armchair Chocolate Fabric		£25.00	0	£0.00
Coffee Table		£15.00	0	£0.00
Large Table & 4 chairs		£20.00	0	£0.00
Small Table & 2 chairs		£15.00	0	£0.00
Dining Chairs		£3.00	0	£0.00
Sofa Charcoal Fabric		£50.00	0	£0.00
Sofa Chocolate Fabric		£50.00	0	£0.00
Chest of Drawers		£15.00	0	£0.00
Double Bed Divan Base		£20.00	0	£0.00
Double Bed Metal Frame		£20.00	0	£0.00
Mattress Double		£30.00	0	£0.00
Mattress Single		£15.00	0	£0.00
Single Bed Divan Base		£15.00	0	£0.00
Single Bed Metal Frame		£15.00	0	£0.00
Wardrobe		£25.00	0	£0.00
Sub Total				£20.00
Delivery £20.00				£20.00
Subtotal				£4.00
VAT@ 20%				£24.00

Goods Received by

Date

Receipt No.

Rotherham
Furniture Solutions

*** Returns Policy *****If you change your mind about your purchase, please return the unused goods to unused by you and in the condition received with proof of purchase within 14 days and we will offer you an exchange. This does not affect your usual consumer rights, including your right to claim a refund, replacement, repair and/or compensation where the goods are received as faulty or misdescribed.

Appendix 2 Process Map

