

IMPROVING PLACES SELECT COMMISSION

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

Date: Wednesday, 23rd July, 2014

Time: 1.30 p.m.

A G E N D A

1. To determine whether the following items should be considered under the categories suggested in accordance with Part 1 of Schedule 12A (as amended March 2006) of the Local Government Act 1972.
2. To determine any item(s) 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. Questions from members of the public and the press
6. Communications
7. Minutes of the previous meeting held on 18th June, 2014 (Pages 1 - 5)
8. Private Rented Housing - Selective Licensing (Pages 6 - 22)
9. Housing Repairs and Maintenance - Update (Pages 23 - 40)
10. Energy Supply - Collective Switching Scheme (The Big Switch) (Pages 41 - 44)
11. Scrutiny Review - Supporting the Local Economy (Pages 45 - 68)
12. Improving Places Select Commission - Scrutiny Work Programme 2014/15 (Pages 69 - 71)
13. Representation on Other Bodies 2014/2015

To appoint one representative to the Recycling Group.

To appoint one representative to the Environment and Climate Change Steering Group.

To appoint one representative to the Housing Assessment Panel (three representatives in total with two to attend the meetings on a rotational basis).

14. Date and time of the next meeting:- Wednesday 3rd September 2014 at 1.30 pm

Improving Places Select Commission: membership: -

Councillors Andrews, Atkin, Cowles, Foden, Finnie, Gilding, Gosling, N. Hamilton, Read (Chairman), Roche, Sims (Vice-Chairman) and Wallis.

Co-opted members:- Miss P. Copnell, Mr. P. Cahill and Mr. B. Walker.

IMPROVING PLACES SELECT COMMISSION
Wednesday, 18th June, 2014

Present:- Councillor Read (in the Chair); Councillors Atkin, Cowles, Foden, Gilding, N. Hamilton, Sims and Wallis; together with co-opted members Mrs. L. Shears, Mr. P. Cahill and Mr. B. Walker.

Also in attendance: Councillor Smith (Cabinet Member for Planning, Highways and Street Scene Services)

Apologies for absence were received from Councillors Andrews, Finnie, Gosling and Roche and from co-opted member Miss P. Copnell.

1. WELCOME TO NEW MEMBERS

The Chairman welcomed new members to their first meeting of the Improving Places Select Commission, including the two co-opted members, Mr. Pat Cahill and Mrs. Lilian Shears (the latter attending as substitute for Miss Copnell).

2. DECLARATIONS OF INTEREST

There were no Declarations of Interest made at this meeting.

3. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

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

4. COMMUNICATIONS

The Select Commission confirmed that the scrutiny review group for the review of dampness and condensation in Council housing properties shall comprise Councillors Andrews, Cowles, Foden, Sims and C. Vines.

5. MINUTES OF THE PREVIOUS MEETING HELD ON 23RD APRIL, 2014

Resolved:- That the minutes of the previous meeting of the Improving Places Select Commission, held on 23rd April, 2014, be approved as a correct record for signature by the Chairman.

6. METHODOLOGY FOR THE PRIORITISATION OF HIGHWAY WORKS AND THE VARIOUS METHODS OF HIGHWAY SURFACE REPAIRS

Further to Minute No. 17 of the meeting of the Improving Places Select Commission held on 4th September, 2013, consideration was given to a report presented by the Principal Engineer (Streetpride) describing the methodology for the prioritisation of highway works and the various methods of highway surface repairs.

The report stated that, as Highway Authority, the Council's primary objective is to ensure that Rotherham's roads and footways are maintained to the nationally recognised safety standards. Additionally, in carrying out maintenance works on the highway, such works are not necessarily on roads that are in the worst condition, but the aim is to extend the life of the existing highway network fabric.

The Select Commission was informed of the three, proactive forms of assessment used to examine the condition of the highway network:-

SCRIM (Sideway-force Coefficient Routine Investigation Machine)
SCANNER (Surface Condition Assessment of the National Network of Roads)
CVI (Coarse Visual Inspection)

The assessment process permits Elected Members to identify highway locations, within their Wards, which require treatment.

The various methods of surface repair and treatment to highways, as well as the budget allocations, were also described in the report:-

- : no works required (but some may be planned for the future);
- : Safety defect repair;
- : Patching;
- : Super Patching (larger areas of highway than patching);
- : Overlay;
- : Resurfacing;
- : Reconstruction.

The Select Commission viewed maps of various highways, throughout the Borough area and discussed the road surface maintenance requirements of those areas.

The Select Commission's discussion of this issue included the following salient issues:-

- : Bellows Road, Rawmarsh – highway maintenance deferred, pending redevelopment of adjacent retail area;
- : a question whether an improved highway surface encourages higher vehicle speeds – there was no specific evidence to support such a suggestion;
- : consultation with statutory undertakers, to ensure the completion of their works and to prevent excavation works in newly-resurfaced highways (nb: the resurfacing of Morthen Road, Wickersley had been delayed for a short period because of excavation works having to be completed);
- : the provisions of Section 58 of the Highways Act 1980 concerning the legal obligations upon local authorities to maintain the highway;

- : statutory undertakers are required to resurface the highway after completion of excavation works, but not the whole surrounding area;
- : completion of resurfacing throughout residential estates, as quickly as possible, so as to minimise disruption of travelling;
- : the reducing budgets available for highway maintenance and the need to secure value for money;
- : improved highway maintenance techniques (eg: use of the 'multihog' machine); procurement of materials and machinery at more advantageous costs; the proposed use of the 'find and fix' teams for highway repairs;
- : production of the Highways Asset Management Plan (involving the financial value of the entire highway network);
- : Department for Transport national averages for planned maintenance of the footway and the carriageway – the Rotherham Borough area highway network compares favourably with the national averages (nb: the Department for Transport does not collect data for footpath maintenance);
- : inspection of footpaths in Council-owned housing areas, where maintenance is funded from the Housing Revenue Account;
- : specific arrangements for strengthening the highway surface near to 'speed humps', to prevent rutting and tracking of the road surface;
- : 'fretting' of a road surface caused by the oxidisation of the binder in the primary aggregate and causing holes in the road surface as chippings work loose; this issue does not occur with other methods of road surface treatment;
- : provision of Local Transport Plan funding by central Government; the method of funding may alter from 1st April, 2015 onwards and be based upon the asset valuation of an area's highway network;
- : sharing of best practice of highway maintenance with other local authorities in Yorkshire and in the wider region;
- : the experience of Sheffield City Council, where highway maintenance is the subject of Private Finance Initiative funding.

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

7. ARRANGEMENTS FOR MANAGING OFF ROAD MOTOR VEHICLE NUISANCE

Further to Minute No. 62 of the meeting of the Improving Places Select Commission held on 16th April, 2013, consideration was given to a report

presented by the Director of Streetpride describing the arrangements for the management of Off-Road Motor Vehicle nuisance and including information on the way in which this nuisance is currently being dealt with in the Rotherham Borough area.

The report referred to:-

; the Off Road Motor Vehicle Prevention function became the responsibility of Streetpride with effect from 1st April 2012;

: the management of the reducing budget for this function, within Leisure and Community Services;

: the response provided to contacts (usually by telephone, electronic mail or letter) expressing concerns about off-road motor vehicle nuisance;

: the responsibility for enforcement against any individuals who engage in off-road motoring causing nuisance and criminal damage lies with the South Yorkshire Police (nb: there is no separate recording of incidents of off-road motor vehicles nuisance; these incidents are included within the statistics on anti-social behaviour).

The report also described various structural works, undertaken on Council-owned land during the 2013/14 financial year, in areas ranging from Wath upon Dearne and Swinton, to Kimberworth, Scholes and the Rother Valley Country Park. These works would assist in reducing the incidence of off-road motor vehicle nuisance in these areas.

Members of the Select Commission discussed the following issues:-

: off-road motor vehicle nuisance is frequently discussed at meetings of the Area Assemblies and the Police sometimes attend and report on incidents which have occurred in the local area;

: Elected Members and the general public are able to report incidents of off-road motor vehicle nuisance, to the Borough Council, by telephone 01709 336003 and speaking to the Leisure and Community Services' business support team;

: an important issue to resolve is the prevention of unlicensed vehicles using the public highway to access land for off-road motoring; the Police have responsibility for apprehending such motorists;

: it was noted that there are specific sites located in the Doncaster Borough area, where off-road motor cycling is permitted, although there is no similar provision in Rotherham.

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

8. REPRESENTATION ON OTHER BODIES 2014/2015

Resolved:- (1) That the following appointments of representatives from the Improving Places Select Commission to the groups and outside bodies listed below, be approved for the 2014/2015 Municipal Year:-

RUSH House Management Committee - Councillor Sims

Health, Welfare and Safety Panel - Councillor Foden

Rotherham Local Plan Members' Steering Group - Councillor Sims (as Vice-Chair)

(2) That consideration of appointments to the following organisations and groups be deferred, pending receipt of further information as to their frequency of meetings:-

Groundwork, Creswell, Ashfield and Mansfield

Recycling Group

Social Concerns Committee Churches Together

Women's Refuge

Yorkshire and Humberside Pollution and Advisory Council

1.	Meeting:	Improving Places Select Commission
2.	Date:	Wednesday 23rd July 2014
3.	Title:	Private Rented Housing - Selective Licensing
4.	Directorate:	Neighbourhoods and Adult Services

5. Summary

Further to the report of the 19th March 2014, the public consultation on proposals to introduce Selective Licensing closed on 24th March 2014, after the statutory 10 weeks. This report provides detail of the consultation feedback (in which over 2/3rds of residents expressed support for a mandatory selective licensing scheme), and makes recommendations based on the responses, comments and representations made.

6. Recommendations

It is recommended that the Cabinet:

- 6.1 Accepts that there is strong evidence and public opinion to support the introduction of Selective Licensing.
- 6.2 Decide to introduce either a mandatory selective licensing scheme or the alternative proposal advocated by a range of landlords for a voluntary scheme. In taking this decision Cabinet should consider Department for Communities and Local Government guidance which stipulates that when considering the introduction of selective licensing, the Council must also consider whether there are any other courses of action available to them that might provide an effective method of achieving the objectives that the designation would be intended to achieve
- 6.3 If the Cabinet chooses to introduce a voluntary scheme, it should reflect the conditions in paragraph 7.4.1 and Appendix 3 of the report and, in particular, require:-
 - 6.3.1 The start of the voluntary local scheme, together with a performance and delivery plan agreed between the scheme organisers and, on behalf of the Council, the Director of Housing & Neighbourhood Services, be in place no later than 3 months after today's decision, and
 - 6.3.2 The effectiveness of the scheme to address the low housing demand in the identified areas to be monitored over the next eighteen months and a report to be presented to Cabinet of the findings.
- 6.4 If the Cabinet chooses to introduce a mandatory scheme or the condition 6.3.1 above is not met, a report detailing proposals as per Option 2 for the early introduction of Selective Licensing to be brought to Cabinet.
- 6.5 If the voluntary scheme does not meet the specified performance requirements during the review period, a further report be presented to Cabinet requesting authority to progress re-consideration of Selective Licensing.

7.0 Proposals and Details

7.1. Background

In November 2013 Cabinet resolved to undertake a public consultation concerning the use of Housing Act powers to introduce a private rented sector selective licensing scheme in certain areas of the Borough. This report presents the findings of the consultation and presents an options appraisal in relation to the proposals in the business case.

Since that time the consultation has been carried out and a further interim report presented to Cabinet on the 19th March 2014. In addition, a presentation covering the Private Rented Sector (PRS) was made to the Improving Places Select Commission on the 26th March, and, this also addressed the position regarding the progress of the selective licensing proposals.

The proposals consulted upon were that Selective Licensing designations under the Housing Act 2004 should be introduced in three areas:

- **Rotherham Central**, including the Town Centre, Canklow, South Central & Boston Castle, Eastwood and Masbrough
- **Dinnington**
- **Maltby South East**

Selective licensing has been used in other parts of the country. The general objectives of selective licensing schemes are to:

- Ensure private rented properties meet minimum condition standards
- Help to reduce tenancy turnover which will in turn help to achieve more stable and better cared for communities.
- Reduce the rates of empty properties through the promotion of the areas for both the buying and letting of residential property.
- Help to reduce crime and Anti-Social Behaviour (ASB) by promoting community stability and tenancy management.

In a designated area all privately rented properties within the identified boundary (subject to statutory exemptions) must be licenced for up to 5 years from the date the designation takes effect.

The business case also showed that the anticipated maximum cost of a licence in Rotherham would be £687 for the 5 year period, with some proposed reductions for accredited landlords and for single payments.

7.2. Consultation process

The consultation process represented a genuine intention on behalf of the Council to canvass broad opinion on the proposals, and a genuine intention to listen and react to what is said as a result.

The consultation process was described in the report of the 19th March 2014 and included the following:

- *A dedicated consultation website*
- *The web page contains an on-line questionnaire.*
- *A consultation questionnaire and a summary of the proposals was sent to every postal address in the proposed designation areas as well as streets immediately adjacent to the areas, covering 15,597 addresses.*

- *Emails and letters to local landlords and national associations*, and a number of constructive meetings have consequently been held.
- *Drop-in sessions* were arranged in each area to enable local people and landlords to find out more about the proposals based on the summary they had been sent in the post. The programme of the drop-ins was curtailed however each proposed licencing area did have a drop in session held locally.
- Meetings of *tenant and resident associations* in the proposed areas, other groups and the parish council liaison meeting were attended to present the proposals.
- The *Rotherham and District Residential Landlord Association* hosted a meeting for the proposals to be presented to their members and for landlords to find out more.
- Promotion of the consultation through *social media and press releases*.

7.3 Consultation Response

7.3.1 There was a relatively high response to the consultation with 1,755 questionnaires completed. Approximately 1,500 of those were paper questionnaire returns with a further 10% being done on line. There were more than 450 individual comments in those questionnaires and in other correspondence. There have also been a number of representations made by national organisations including the National Landlords Association and the Residential Landlords Association. **Appendix 1** presents, from the questionnaires, detail from the consultation returns.

A snapshot of the results showed **71% of the respondents were in favour of the proposals**, with the vast majority of those in support being residents.

Of the respondents, **1,536 were residents, 148 were landlords and 44 were local businesses**. Where a respondent indicated that their background agreed with more than one category their responses were counted for each category. Therefore, if a landlord had said they were an owner occupier, landlord and a local business owner, they would have had all their responses counted three times. The position, therefore, in summary is:

	Yes	No	No response	Yes	No	No response
Business	21	22	1	48%	50%	2%
Landlord	18	124	6	12%	84%	4%
Resident	1072	437	54	69%	28%	3%

Table 1 – Answers to question 7 on the questionnaire: Do you agree with the Council's proposal to introduce selective licencing in this area?

This data has been broken down in this way to demonstrate the opinions of the cross section of respondents due to the overwhelmingly large response from residents and a smaller response from landlords. A similar pattern was found for each of the geographic areas covered by the proposed scheme.

Residents and local businesses tended to agree with the following questions, while landlords had the converse view in relation to the same questions:

- Question 1 - The value of residential properties in these areas are lower than other similar areas of Rotherham
- Question 3 - There is a high turnover of tenants in the area
- Question 5 - Anti-social behaviour is a problem within the area

- Question 6 - The Council should intervene in areas suffering from low housing demand

Residents and landlords had similar views on the rental values of property (Question 2), with only 48% of residents and 30% of landlords agreeing that it was cheaper to rent property in the proposed Selective Licensing areas than in other areas of Rotherham.

While 66% of residents and 73% of local businesses thought that long term empty properties were contributing to a decline of the area (Question 4), only 48% of landlords agreed.

7.3.2 Some of the qualitative issues raised were consistent across the groups. These include:

- **Responsibility**; landlords need to take more responsibility for the management of their property and the local neighbourhood
- **Cost**; there is a concern predominantly from landlords, that the licensing fee per property is too much. Also that, expecting payment upfront, would severely affect landlords businesses.
- **Geography**; two opinions were expressed. Firstly, it was viewed by some to be unfair not to include all privately rented housing in the Borough. Whilst, in some of the mapped areas, it was expressed that not all the streets should be included (see below).
- **Council & partner activity**; a view was expressed that all powers available to the enforcing agencies have not been used. Some people suggest landlords are being unfairly criticised as they cannot always influence the behaviour of their tenants
- **Mandatory requirement**; arising predominantly from the landlords questionnaires there is a disagreement that all landlords should be treated the same. It suggested any scheme should recognise good management practices and focus on those landlords that do not adhere to such practices. Voluntary agreements are suggested as an alternative to selective licensing.
- **Housing market**; a number of people expressed the fear that a selective licensing scheme would have adverse consequences. These could include increasing insurance costs, driving down house prices and could negatively influence decisions by some financial institutions to provide “buy to let” mortgages. This negative impact is influenced by the perception of the scheme being based on high ASB levels.
- **Compliance**; there is inadequate capacity within the Council to enforce the scheme. Consequently, that a scheme where landlords played a stronger role would be more deliverable.

In relation to the issues raised around the geography of an area, there were large numbers of comments and three petitions received relating to streets which should be excluded from a Selective Licensing Scheme. These included:

- **White City Estate in Maltby**: was suggested for exclusion due to good management standards by the landlords who owned larger number of properties in that area, low rates of empty properties and their knowledge of low rates of turnover in the properties which they own.
- **Blyth Road area in Maltby, Moorgate and Broom Valley Road areas in the central Rotherham (Petition), Fenton Fields area in Bradgate and New Road and**

Swinston Hill Road areas of Dinnington: have been suggested for exclusion due to the nature and value of the property and there is little risk of displacement of problems into these areas.

- **Ferham Road area in Masbrough:** A petition was received requesting that these streets are excluded from any designations.

7.4 Option Appraisal

7.4.1 Option 1 – Landlord led Voluntary Quality Landlord Scheme

Guidance relating to Selective Licensing makes clear that realistic alternatives should be sought to a mandatory scheme in the first instance. To not do so could potentially run the risk of judicial review. This is a credible option that has arisen out of the consultation process.

This option allows the local PRS landlords with support from national landlord organisations to lead on the development of an alternative borough wide quality landlord registration scheme, in partnership with the Council and other local landlord/letting agent based organisations, in order to meet similar objectives as set out in the Selective Licensing business case.

The voluntary scheme will be marketed initially in the five geographic areas targeted for Selective Licensing with the intention of the scheme offering a positive contribution towards making predominantly private rented areas more attractive by creating more stable tenancies. The scheme's NLA representative has stated that they can expect a take-up in the identified priority areas that would match, within the first year of operation, the Council's Selective Licensing scheme targets i.e. 50% of the licensable properties. However, to ensure that the scheme is on target to meet this expected take-up, a target of 25% take-up within 6 months of operation has been included. The scheme would also attract interest from landlords with private rented properties outside of these areas.

All of the enforcement benefits of the licensing scheme cannot be replicated by the voluntary scheme; however the voluntary scheme could enable membership conditions to be managed through a number of routes. A gap analysis has been undertaken and is presented at **Appendix 2** which shows the benefits anticipated and those which can be delivered by both a mandatory and the proposed voluntary scheme.

Monitoring and, an agreed review process, will ensure that an improvement in take-up and standards will be achieved on a year by year basis. This would result in reduced turnover and empty properties and offering support, through referencing and tenancy support, to landlords to deal with anti-social behaviour (ASB) issues. **Appendix 3** provides the performance suite of critical success factors required to show the effective delivery of the scheme.

Some features of the scheme include:

- Administration of the scheme by a third party who will create a web based product, to offer appropriate access to landlord members, tenants and the Council, with data protection measures created.
- Individual Charters, covering private rented sector relevant topics such as ASB, overcrowding, eviction, etc., will be agreed between the scheme administrator and the Council, which landlords will follow as guidance.
- Protection of the health & safety of tenants; All properties will be inspected to the Housing Health and Safety Rating System (HHSRS) standard and landlords advised on how to remove Category 1 & 2 hazards, through the scheme. A

voluntary scheme will offer an opportunity to all participating landlords to improve their standards of management and property condition through the offer of education and support.

Initial membership would require a HHSRS and defect inspection to be carried out by a third party (probably the landlord's letting agent or another independent company), annual reviews of documentation and safety certificates for all members and random sample inspections by the administrators of a percentage of member property. Information on complaints about member properties would also be used to inform the administrators where there may be breaches of membership conditions, in addition to enforcement action taken by the Council.

Where complaints are received by the Council about a property, officers will check for membership of the scheme to enable efficient contact and liaison with the landlord and managing agent. The Council has a statutory duty to investigate all service requests and to take enforcement action where Category 1 Hazards exist. It also has a power to take action where Category 2 Hazards exist. Under the current Enforcement Policy these hazards are dealt with in an identical way as there is a crossover of hazards and a benefit to ensuring consistent enforcement approaches wherever hazards exist.

It is planned, if this option is supported, for the Enforcement Policy to be amended (and to take on the new national Regulator's Code) to allow members of the scheme (either the landlord or the managing agent), to benefit from a more staged approach to enforcement whereby, when Council inspections have identified **only** Category 2 hazards (and that is considered that an appropriate and justified approach to enforcement), the scheme administrators will be advised and they will ensure improvement with the identified works. Any lack of response to reasonable requests for information from the landlord/agent, lack of response to enquiries or letters will affect this judgement.

Copies of HHSRS inspections required and held by the scheme administrators along with annual document and membership reviews would be expected to be available on demand.

- The scheme is anticipated to cost less per property than the mandatory Licensing scheme. This is because the Licensing scheme carries with it a requirement to collect and analyse property and management information which is staff resource intensive.
- The scheme will be a lighter touch assessment of the property by the scheme administrator with an emphasis on maximising membership and influence rather than enforcement.

This voluntary option will require close monitoring and regular reviews to ensure that the indicators of low housing demand are met and that improvements continue to be made within the PRS. The criteria for recognising the success of the scheme would be reliant upon the delivery of the performance framework at Appendix 3. Key elements include:

1. The scheme is to be constituted and operational from 15th October and will tackle the indicators of low housing demand through a set of property conditions and checks on property and letting standards, agreed with the Director of Housing and Neighbourhood Services prior to operation;

2. In the identified areas where low housing demand is currently most prevalent, the scheme must reach an agreed level of membership within 12 months (specified in Appendix 3) of implementation and, thereafter, the scheme will be reviewed annually;
3. Ensuring that there are agreed data sharing protocols in place and maintained between the scheme and the Council to aid efficient and effective communication and enforcement by the Council and landlords where required.
4. The scheme has made an agreed and suitable impact upon the indicators of low housing demand within the priority areas within 4 years (as assessed against criteria identified in Appendix 3).

Reviews of the scheme, based on the schedule detailed above, will be presented to Cabinet on an annual basis. Should the review indicate that the scheme has been unsuccessful; an updated business case for Selective Licensing will be offered for consideration.

If the voluntary scheme is not operational by the 15th October 2014 the Cabinet will further consider implementation of a Selective Licensing scheme based upon the current consultation.

7.4.2 Option 2 – Cabinet agree to designate areas for selective licensing.

The results of the consultation demonstrate that residents are overwhelmingly in favour of the introduction of a Selective Licensing Scheme. However, as with all regulatory activity, the emphasis is on a proportionate and measured approach to enforcement. The comparative benefits of the Selective Licensing and voluntary schemes are detailed in appendix 2 and it is believed that with the co-operation of the landlords the benefits of the mandatory scheme can be achieved via the voluntary route. This would satisfy the requirements of the residents to have safe and well-maintained properties and address the problems of low housing demand.

Therefore whilst the Selective Licensing Scheme had support, it is recommended that this option should not be pursued currently, to enable the operation of the voluntary scheme to be evaluated.

If it was determined to follow this option a further report by August 2014 with final recommendations on the Selective Licensing areas and the structure of the proposed scheme would be provided to Cabinet.

This further report would be the final report to designate the areas for selective licensing before a final decision by the full Council.

7.4.3 Option 3 – No further action

The option of “no further action” has also been considered. However, due to the evidence related to low demand within the target areas, the significant level of concern showed by the public on this matter and the overwhelmingly positive response to the proposals it is an option that is not recommended. The Cabinet has previously agreed that there is a business case to support Selective Licensing of privately rented property and the consultation has agreed with that viewpoint.

8. Finance

The consultation costs have been discussed in previous reports.

Details of the introduction of a Selective Licensing scheme provided by Option 2 will require a re-modelling of the financial plan to accommodate anticipated variation in geographical boundaries previously suggested. This would be addressed in the further report to Cabinet, if required.

The resource required by the Council to work with the landlords to support the introduction of a voluntary scheme will be drawn from existing Housing and Neighbourhood Services revenue budgets.

There is the potential for ICT investment to be required to enable effective sharing of data between the Council and any third party scheme operator, which cannot yet be estimated.

9. Risks and Uncertainties

Option 1 – Landlord Led Voluntary Quality Landlord Scheme

The option does not reflect the positive consultative response from 2/3rds of private households who were in favour of a mandatory selective licensing scheme. However, as it is anticipated that the benefits of the mandatory scheme can largely be achieved by the voluntary route, the required outcomes of the consultation can still be met.

The option is voluntary. Previous attempts at voluntary accreditation schemes have not received sufficient take-up and have therefore been unsuccessful. Voluntary schemes do not oblige the landlords, who need to improve their tenancy and property management, to join and they are able to avoid any further obligations unless they are detected through routine enforcement methods. Take up of the scheme may be outside the areas identified for priority attention by the selective licensing scheme.

There is a risk that this option once in operation may fail to meet the success factors required and a mandatory Selective Licensing scheme would be required. This would require intensive resource to re-examine and present a business case ahead of a further consultative process. This would cause significant delay.

Option 2 – Selective Licensing

Legally it is required that Councils, before they implement any selective licensing scheme, must have considered any other course of action that might provide an effective method of achieving the objectives that such a scheme would bring. This may include, as recommended in Option 1, voluntary measures such as accreditation and give the opportunity for local landlords to prove that they are committed to ensuring the quality of the private housing rental sector. Such a voluntary scheme does bring a set of standards relating to the management or physical condition of privately rented accommodation and, in that, it does recognise and reward landlords who manage their properties to a good standard. It does not bring however a mandatory test of a landlord being a fit and proper person to be the license holder.

It is considered that landlords will be more receptive to complying with a voluntary scheme than the mandatory scheme. This will ease in transition from there being no monitoring of the standards of private rented accommodation.

The selective licensing scheme does not include the enforcement function and as such the necessary compliance inspections and associated legal action would impact on the existing enforcement team in the Community Protection Unit (estimated to be 2fte of current

resourcing) and consequential legal support from Legal Services. Therefore, the introduction of selective licensing could have service implications that reduce service performance in those teams, which are already operating below staffing establishment.

If Option 1 was not proceeded with, a prompt report will be required to Cabinet to ensure that decisions were made whilst the Business Case and the consultation process was still current and relevant. Delay in this reporting would require a new round of consultation to be carried out to ensure validity of decision.

Option 3 – No Further Action

The risks of doing nothing are:

- The gap in our most deprived neighbourhoods continues to widen
- We are unable to sustain current levels of resources that are deployed in a reactive way to resolve private rented sector issues
- Empty properties blight neighbourhoods negatively affecting the local housing market

These risks can be mitigated by introducing the interventions described in Option 1 or 2

Legal Risks -

As the consultation demonstrated that there is support for both Options 1 and 2 the possibility of a legal challenge, should either option be chosen, exists.

10. Policy and Performance Agenda Implications

Improving the Private Rented Sector housing in Rotherham has a positive impact on helping to narrow the gap in our most deprived neighbourhoods and is a commitment in Rotherham's Housing Strategy, namely.;

- Commitment 2: We will increase and improve the supply of affordable rented housing
- Commitment 6: We will help people to access the support they need
- Commitment 7: We will help people in Rotherham's most disadvantaged communities

The objectives of the consultation proposal are consistent with aims of the Council's Housing Strategy and Homelessness Strategy.

Driving up standards in the private rented sector will also contribute to tackling Anti-Social Behaviour which is a key priority and set out in the RMBC Corporate Plan

- ***helping to create safe and healthy communities, and***
- ***ensuring people feel safe where they live, particularly that Anti-Social behaviour and crime is reduced and people from different backgrounds get on well together.***

In particular improving housing standards in this sector will contribute in ensuring that;

- People feel safe where they live
- ASB and crime is reduced
- Our streets are cleaner

Through the effective use of Council resources, in this case CPU and Legal staff resources and, in conjunction with other regenerative initiatives, the Council is delivering much needed improvements in the private rented sector and offering a viable alternative to social affordable housing which is in great demand and so demonstrating value for money.

Ensuring access to housing is as fair as possible will contribute to two of the priorities of Rotherham Partnerships Community Strategy;

- Ensure the best start in life for children and families, and
- Support those that are vulnerable within our communities

11. Background Papers and Consultation

Cabinet, Minute No.131, Business Case to consider the Selective Licensing of Private Rented Accommodation in Rotherham; 27th November, 2013

Cabinet, Minute No.216, Interim Report in respect of Selective Licensing Consultation; 19th March 2014

Contact Name: Dave Richmond, Director of Housing & Neighbourhoods
dave.richmond@rotherham.gov.uk 01709 823402

Consultation Outcomes – Questionnaire Responses Summary

The detailed analysis by area and the responses to all the survey questions is available on the Council's website at www.rotherham.gov.uk/landlordlicensing

Overall Responses

There were 1,755 responses received from businesses, landlords (including letting agents) and residents. The overall analysis looked at the 7 key questions that were asked in the survey.

Seven key questions examined in the overall analysis are provided below, together with a summary of the returns :

1. The value of residential properties in this area is lower than the other similar areas of Rotherham.

Total number who responded to this question was 1755, overall 1050 agreed and 585 disagreed and there were 120 who did not respond. The respondents breakdown is as follows :

	Agree	Disagree	No response	Agree	Disagree	No response
Business	28	14	2	64%	32%	5%
Landlord	52	88	8	35%	59%	5%
Resident	970	483	110	62%	31%	7%

Half the business respondents agreed that the value of properties in the selected areas was lower than that of similar properties in other areas. Close to 2/3^{rds} of landlords disagreed & 2/3^{rds} of residents agreed.

2. It is cheaper to rent properties in this area, compared to other similar areas of Rotherham

Total number who responded to this question was 1755, overall 829 agreed and 714 disagreed and there were 212 who did not respond. The respondents breakdown is as follows:

	Agree	Disagree	No response	Agree	Disagree	No response
Business	26	16	2	59%	36%	5%
Landlord	45	93	10	30%	63%	7%
Resident	758	605	200	48%	39%	13%

Nearly two thirds of business respondents agreed. This contrasted with landlords response which showed two thirds disagreed. Just over half the residents surveyed agreed.

3. There is a high turnover of tenants in this area.

Total number who responded to this question was 1755, overall 993 agreed and 590 disagreed and there were 172 who did not respond. The respondents breakdown is as follows :

	Agree	Disagree	No response	Agree	Disagree	No response
Business	26	15	3	59%	34%	7%
Landlord	36	96	16	24%	65%	11%
Resident	931	479	153	60%	31%	10%

Nearly two thirds of residents and businesses agreed that there is a high turnover of tenants in their area. This contrasted with the landlord response which shows two thirds disagree.

4. Long-term empty properties are contributing to the decline of the area

Total number who responded to this question was 1755, overall 1134 agreed and 517 disagreed and there were 104 who did not respond. The respondents breakdown is as follows :

	Agree	Disagree	No response	Agree	Disagree	No response
Business	32	10	2	73%	23%	5%
Landlord	71	67	10	48%	45%	7%
Resident	1031	440	92	66%	28%	6%

Two thirds of residents and businesses agreed that long term empty properties are a contributory factor to the decline of the area. The landlord response was more or less equal with 48% agreeing and 45% disagreeing.

5. Anti-social behaviour is a problem within the area.

Total number of respondents was 1755. Overall 1064 agreed and 575 disagreed, 116 did not respond. The breakdown is as follows:

	Agree	Disagree	No response	Agree	Disagree	No response
Business	32	8	4	73%	18%	9%
Landlord	52	82	14	35%	55%	9%
Resident	980	485	98	63%	31%	6%

Two thirds of businesses and residents agreed that anti-social behaviour was a problem in their area with just over half of the landlords disagreeing.

6. The Council should intervene in areas suffering from low housing demand.

Total number of respondents was 1755. Overall 1188 agreed and 396 disagreed, 171 did not respond. The breakdown is as follows:

	Agree	Disagree	No response	Agree	Disagree	No response
Business	27	12	5	61%	27%	11%
Landlord	60	74	14	41%	50%	9%
Resident	1101	310	152	70%	20%	10%

Nearly two thirds of businesses and 70% of residents agreed that the Council should intervene in areas suffering from low housing demand. Most of the landlords disagreed, however a significant number (41%) did actually agree.

7. Do you agree with the Council's proposal to introduce selective licensing in this area?

Total number of respondents was 1755. Overall 1111 agreed, 583 disagreed and 61 no responses. The breakdown is as follows :

	Yes	No	No response	Yes	No	No response
Business	21	22	1	48%	50%	2%
Landlord	18	124	6	12%	84%	4%
Resident	1072	437	54	69%	28%	3%

The business response is split down the middle with more or less a equal number for and against the proposal to introduce a selective licensing scheme. Just over two thirds of residents agree. The landlord response is clear with 84% who responded to this question not in favour of the scheme.

Summary of overall analysis to the 7 key questions.

It is important to note that there was an average of 136 landlords, 41 businesses and 1440 residents responding to this consultation. In most cases the landlord response was to generally disagree, however question 4 and 6 returned a pretty even response. The most overwhelming negative response from landlords was to disagree to the council’s proposal to introduce a selective licensing scheme which returned a response of 84% against. It is also interesting to note the landlord response to questions 4 and 6. Whilst 40% of landlords think the council should take action in areas of low housing demand only 12% agree with bringing in selective licensing, however resident responses to these questions are similar.

In contrast the businesses and residents both had a lot of consensus in their response. Both returned a majority vote to generally agree with 6 of the key questions. The majority of residents are in favour of the introduction of the selective licensing scheme whereas the businesses returned a response of 21 and 22 for and against.

Equality monitoring summary of overall analysis

Do you consider yourself to be disabled ?

A total number of 1596 respondents answered this question and 20% declared they had a disability with 71% who did not. There were 159 people who did not respond.

	Number	Percentage
Yes	346	20%
No	1250	71%
No response	159	9%
Grand Total	1755	

What is your age ?

A total number of 1600 respondents answered this question with the majority of people falling into the 45 – 65 or older category. There were 155 people who did not respond.

	Number	Percentage
Under 25	35	2%
25 to 34	180	10%
35 to 44	237	14%
45 to 54	344	20%
55 to 64	350	20%
65 or older	454	26%
No response	155	9%
Grand Total	1755	

How would you describe your ethnic origin ?

A total number of 1459 respondents answered this question. The majority of respondents declared themselves as White British (1315, 74.9%). The second largest group was Asian or Asian British Pakistani (5.1%) followed by Other White Background in third with 3%. It is worth noting that 2% of respondents declared themselves as Asian or Asian British Kashmiri. Many within this group

sometimes refer to themselves as Pakistani or Kashmiri. There were 148 respondents who did not respond.

	Number	Percentage
Asian or Asian British Bangladeshi	2	0.1%
Asian or Asian British Indian	15	0.9%
Asian or Asian British Kashmiri	35	2.0%
Asian or Asian British Pakistani	89	5.1%
Black or British Black African	11	0.6%
Chinese	4	0.2%
Decline to answer	46	2.6%
Dual Heritage Asian and White	1	0.1%
Dual Heritage Black Caribbean and White	2	0.1%
Gypsy/Roma	3	0.2%
Irish Traveller	1	0.1%
Other Asian background	12	0.7%
Other Black Background	2	0.1%
Other Dual Heritage	1	0.1%
Other Ethnic Background	3	0.2%
Other Gypsy or Traveller Background	2	0.1%
Other White Background	53	3.0%
White British	1315	74.9%
White Irish	7	0.4%
Yemeni	3	0.2%
No response	148	8.4%
Grand Total	1607	

Please indicate if you are from the following EU accession Countries:

A total number of 41 people responded to this question with 18 people (1%) coming from Slovakia followed by 0.6% (11) coming from Poland. In total 2.3% of all respondents came from an EU accession state.

	Number	Percentage
Bulgaria	1	0.1%
Czech Republic	4	0.2%
Hungary	1	0.1%
Lithuania	5	0.3%
Poland	11	0.6%
Romania	1	0.1%
Slovakia	18	1.0%
No response	1714	97.7%
Grand Total	1755	

Appraisal of the benefits and differences of Selective Licensing scheme and a voluntary scheme

Some Benefits proposed by Schemes	Provided for by Selective Licensing Proposals	Suggested to be available under a Voluntary Scheme	Mitigation of Risk
Legal requirement to register, with criminal penalties for failure.	✓	✗	<ul style="list-style-type: none"> • Effective promotion of the scheme, highlighting the benefits offered, will be undertaken on a regular basis. • Landlords who are not members of the voluntary scheme will be informed as to how to apply to the scheme. • Landlords found to be acting irresponsibly, in addition to appropriate enforcement action, will be advised to become a member of the scheme. • Landlords who do not wish to apply to the scheme will have their standard of management and property scrutinised.
Enforced maintenance of membership.	✓	✗	
Enables all licensable property to be identified and checked.	✓	✗	
Interim management orders for failure to Licence/register.	✓	✗	
Borough-wide Scheme	✗	✓	
Requirement to have written Tenancy Agreements	✓	✓	
Legal requirement on landlord to take action over ASB.	✓	✗	An ASB Charter, produced jointly by the Council and the Scheme Administrator, will effectively manage issues of an ASB nature. New ASB powers strengthen responsibility
Fit and Proper person declarations for licence holders/members.	✓	✗	As a requirement of the voluntary scheme, landlords will verify that they have no criminal convictions.
Licensing/Registration pre-inspection by HHSRS qualified person.	✓	✓	
Legal requirement to remedy defects found in pre-inspection.	✓	✗	The scheme will advise landlords on how to remedy defects found following inspection
Gas, electricity and equipment safety checks.	✓	✓	
Set conditions and standards for properties.	✓	✓	
Management standard conditions to licence/membership.	✓	✓	
Landlord Liaison function provided by the scheme administrator.	✓	✓	
Lighter touch regulation and lower costs in response to Accredited members.	✓	✓	
Database of membership held by the Council.	✓	✗	Access offered to the Council, as and when required, through an agreed data sharing protocol.
Scheme membership details available for Council enforcement staff to enable faster contact with landlords.	✓	✓	

Voluntary PRS Scheme; Success Measures

Scheme Element	Anticipated target	By when
Introduction of scheme	100%	15/10/14
Take-up of properties in Selective Licensing priority areas (and elsewhere in the Borough)	100% of table below	Scheduled in table below
Take-up of properties outside of SL areas	25%	31/10/15
HHSRS inspections carried out and retained for all properties on the scheme	100%	Ongoing
Random sample (10%) of inspected properties	100%	Quarterly
Respond to service requests raised by RMBC	100%	Ongoing
Record and advise on resolving Category 1 & 2 hazards	100%	Ongoing
Collation of safety certificates	100%	Ongoing
Introduction of charters/guidance documents e.g. ASB, overcrowding, eviction	100%	31/03/15
Follow-up of landlords failing entry onto the scheme	100%	Ongoing
Review of 1 st years activity	100%	31/10/15

Take Up Rates for Voluntary Scheme

Scheme	Take up in prioritised SL areas	Take-up outside of SL areas	Projected Borough wide inclusion
6 months	25% (c. 500 properties)	0	4% (c. 500 properties)
Year 1	50% (c. 1,000 properties)	25% (c. 3,000 properties)	29% (c. 4,000 properties)
Year 2	70% (c. 1,400 properties)	30% (c. 3,600 properties)	36% (c. 5,000 properties)
Year 3	80% (c. 1,600 properties)	35% (c. 4,200 properties)	41% (c. 5,800 properties)
Year 4	90% (c. 1,800 properties)	40% (c. 4,800 properties)	47% (c. 6,600 properties)
Year 5	95% (c. 1,900 properties)	50% (c. 6,000 properties)	56% (c. 7,900 properties)

The following indicators are to be monitored on a monthly/annual basis

- 1. Number of landlords on the scheme**
 - With rented properties within the 5 targeted areas
 - With rented properties outside of the 5 targeted areas
- 2. Number of properties being administered through the scheme**
 - within the 5 targeted areas
 - outside of the 5 targeted areas
- 3. Recording of retained and refused membership after 6 months, 1 year, 2 years, 3 years, etc. Fall out rates and expulsions**
- 4. Provision of landlord details to the Council for follow-up**
- 5. Anticipated drop-out from scheme; 5-10% acceptable inside/outside of targeted areas. Report any expulsions.**

APPENDIX 3 - continued**6. Performance of scheme**

- Number of properties inspected to HHSRS. Random verification sample of 10% by the Council to be carried out. Acknowledge that landlords with hazards in a property will ensure that other properties don't have the same CAT1
 - Properties found to be free from hazards
 - Properties found to have hazards (Cat 1 &/or Cat 2)
 - Hazards removed following inspection
 - Enforcement notice issued following inspection

7. Number of incidents (tenant requests/complaints) received through the scheme

- Those incidents dealt with without LA intervention
- Incidents dealt with needing LA intervention

8. Number of investigations by Council of sub-standard housing conditions brought by tenant service requests made direct to Council

- Number of service requests
- Number of inspections
- Number of Housing Act interventions ("warning letter" and notices)

9. Assured Shorthold Tenancies (AST) offered to tenants - Random sample of tenancy management element

- Number of tenants renting the property for over 6 months, 1 year, 2 years, etc. since the introduction of the scheme
- Number of tenants leaving the property and for what reason (tenant satisfaction survey)

10. Homelessness

- Number of tenants, offered a tenancy whilst the property is on the scheme, who would have been statutorily homeless if no accommodation was offered
- Properties available for offering up to homelessness clients - properties to be inspected prior to occupation

11. Empty properties

- Show a reduction of empty properties, on a super output area level, in those areas where there is an average/above average amount of prs accommodation
- Landlords/tenants will report empty properties - number of empty properties reported

12. Anti-social behaviour (ASB)

- Show a reduction in the level of ASB in those areas where there is an average/above average amount of prs accommodation
- Landlords/tenants - creating ASB - expulsion from scheme and action taken

13. Marketing

- Positive marketing, whether direct or otherwise, undertaken throughout the year - KPI's to be determined and marketing plan agreed
- Referrals made to the scheme via;
 - Existing members
 - LA
 - Other partners/third sector agencies

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting	Improving Places Select Commission
2.	Date	Wednesday 23rd July 2014
3.	Title	Housing Repairs and Maintenance Update Report Spring 2014
4.	Directorate	Neighbourhoods and Adult Services

5. Summary

This report seeks to provide a summary update in respect of the Repairs and Maintenance Service in line with Minute Number 35 of the Improving Places Select Commission held on November 27th 2013. The content of the report focuses on the Void Property process and issues raised at the aforementioned meeting.

6. Recommendations

That the comments in this report are noted – no specific actions required.

7. Proposals and details

Background

The delivery of the Housing Repairs and Maintenance Repairs Service was transferred to Morrison Facility Services (MFS) and Willmott Dixon Partnership (WDP) on the 1st of November 2010. A report on progress was last presented to the IPSC in November 2013 and this report seeks to update the position presented at that time. It also seeks to address questions raised about Void Property performance.

Contract Term

The contract offers service providers an entitlement to a one year contract extension subject to meeting the performance criteria set out in the agreement. In both case, MFS & WDP have exceeded this performance measure for 2013/14 and as such are entitled to their contract extension. As such the contract will now run until 1st of April 2018 – the council has the right to withdraw this extension should performance dip in subsequent years. Likewise if performance is maintained the contractors have the opportunity to gain 2 further years extension. In discussing this initial year of extension a concession has been agreed with contractors in respect of the shared saving mechanism in the contract which currently gives a 30% / 70% saving share in favour of the contractor. For year 7 (2016/17) and beyond this will equalise to a 50/50 sharing of any savings.

Shared Savings and Legacy in the 2012/13 Financial Year

The aim to construct 2 pairs of Semi Detached Disabled Persons Bungalows on infill sites in Rotherham.

Work progresses on the proposed legacy build and planning permission for a site in the Rockingham area has been submitted. This will be heard on the 12th June 2014. Subject to this approval work will be started as soon as possible with the aim of completion by the end of the financial year. A second site is currently under consideration in the south of the borough at Wadsworth Road and this will be progressed with a view to starting work in the autumn of 2014.

Customer Insight

Customers remain at the heart of the service and have regular involvement through the Quality & Standards Challenge Group. Throughout the year, a number of Mystery Shopping exercises have been carried out by customer volunteer inspectors. Areas studied included the empty homes standard, responsive repairs and garage inspections, amongst others. The inspections were carried out using telephone and face to face surveys, visits to empty homes and on-site garage inspections.

The general feedback remains positive and any issues highlighted are reviewed and acted upon as service improvement actions.

Where are we now?

At the end of the 2013/14 Financial Year the KPIs set in the contract and reported to the NAS Directorate Leadership Team were all on or above target. The table below shows key KPI outturns at 31st March 2014:

Criteria	Rating at start of contract	Rating at Year end 2013/14	Target
Customer Satisfaction	98.61%	99.19%	95.5%
Appointments Made & Kept	89.53%	99.21%	98.5%
Repairs Completed on Time	88.10%	99.29%	99.00%

Attached at appendix A is the full set of KPIs reported within the contract with outturns at the full year 2013/14.

Value for Money

The CSD team continue to focus and challenge out of scope variations to ensure we maximise the value returned from the contract. This is supported by the Commercial Manager and his team in overseeing cost control and management.

We continue to focus on reducing the levels of variations by focusing our investment using the knowledge gained from the repairs history; this should assist us to achieve this objective.

During the winter period we did experience a high degree of storm damage due to periods of high winds. This took the form of damage to roof structures and drove additional costs for work to repair structural damage. These costs were covered by the contingency allowed in the Repairs and Maintenance budget for such events.

Performance Management

With regards to the Repairs and Maintenance service all the R&M performance indicators have achieved the cumulative year end targets (2013/14 period). This has been achieved through being pragmatic, dedicated and having a proactive approach in our partnership working. All parties have worked together and been focused on putting actions into practice to help improve things and supported and shared good practice within the partnership. Most importantly the understanding of the customer view of the service has been critical to achieving this improvement.

During the last 12 months we have:

- Gone from strength to strength in completing more repairs on time with the highest customer satisfaction levels ever
- Reduced the number of properties stood empty to 190 (324 in December 2013)
- We have supported more customers with fuel poverty throughout the borough and will continue to pursue opportunities to improve the energy efficiency of the housing stock

- We have integrated the Emergency Repairs Out of Hours service within the Council's Corporate Call centre.

In national benchmarking the repairs service was ranked as follows:

- Percentage of repairs completed at the first visit Number in sample ranked 25 against 162 other organisations (amongst the best)
- Percentage of all reactive repairs completed within target time Number in sample ranked 51 against 227 other organisations (amongst the best)
- Appointments kept as a percentage of appointments made Number ranked 49 against 140 other organisations (above average)
- The service was ranked 43 against 102 other organisations of all re-lets (including any time spent on major works) (above average) This is an improvement on where the service was ranked in 2012-13

Complaints

The number complaints in 2013/14 remains at the same level as 2012/13. These figures include a 12% reduction of complaints made against the two repairs and maintenance contractors. Significantly improvements were made particularly in reducing the number of complaints made about the contractors missing appointments.

Identifiable trends of issues triggering complaints were about damage or mess caused by the contractors, the condition of empty properties, damp, leaks and heating/gas boiler repairs although the latter have reduced on the previous year. The trends have been used to implement improvements.

Learning from Complaints

In most cases the complaints of damp proved to be condensation rather than damp caused by disrepair, traditionally condensation has been seen as a "lifestyle" issue and tackled through education. The increase in condensation complaints, linked to benefit reforms and fuel poverty has resulted in a new approach from 2014/15 involving a specialist condensation company to recommend advising the Council on ventilation solutions.

The number of complaints about the quality of empty homes reduced after the team was brought within the Contract and Service Development team in the last quarter of 2013/14. Increased monitoring of the contractors and a holistic approach to empty homes is likely to see a further reduction in 2014/15. A partnership with British Gas Commencing on the 1st April 2014 has resulted in gas and electricity being available to the contractors to complete all necessary tests before the customer takes possession of the tenancy and avoids lengthy delays for tenants arranging for utilities to be connected.

Successive gales and persistent rain in the last quarter of the year caused a significant number of complaints about delays completing repairs as the contractors and their sub-contractors were faced with batches of hundreds of additional roof repairs generated over a short period of time. The volume of additional repair resulted in delays before some repairs were completed. Learning from the gales the Contract and Service Development Team, if faced with severe gales in the future, will inspect and prioritise all gale damage and refer through to the contractors in a prioritised order. This will not impact on the overall time to complete all jobs but will ensure that gale damage affecting the Councils assets

and causing most disturbance to customers will be dealt with as soon as reasonably possible.

Example of customer feedback

Quality of Service - Compliment for Dean Allott of Morrisons. “On Fri night June 6th I rang the response team regarding a hot leaking tap, being disabled I could not turn the water off at the stop cock. I reported it at 21.45PM and at 22:10PM I had a plumber called Dean Allott of the response team come. He fixed it for me with little mess and intrusion. Could you please pass on my thanks to Dean and his team that was involved from taking the phone call to dean himself”.

Quality of Service - Compliment for the Contract and Service Delivery Team.” Thank you for all you help, hard work and patience with regards to the situation. I would also like you to say thank-you to Andy Lumb as he has also been a big help”. **Mrs Linda Machon
189 Barnsley Road**

Quality of service - Compliment Alan and Brian from Morrison. “We had a couple of operatives working on a roof leak at **31 Wombwell Avenue** , today (9th June)they had seen the customer go out earlier when they noticed that there was smoke coming from the customers property from the kitchen extractor, they noticed through the window that a dog was in the property and that the smoke was getting worse, Alan and Brian rang for the fire brigade and sought their advice, within minutes the fire brigade was on site and gained access to the property to find a fat fryer had been left on unattended and melted, this could potentially have been a lot worse but for the prompt actions of our operatives

Quality of Service - compliment for Billy Wilson Contract and Service Development he had been on the freephone to a member of your staff. He had nothing but praise for Billy who he said had got everything sorted out for him and that nothing was too much trouble him.

Compliment - Quality of Service for **Tony and Andy, Wilmott Dixon** for their fantastic help with residents on the **Harthill Skip Day** - they went to the extreme to help everyone - many thanks for the support

Responsive Repairs

Delivery in area of service remains on track with high levels of customer satisfaction and low levels of complaints.

The two key measures of the service; Appointments Made and Kept (AMK) and Right First Time (RFT) both out-turned ahead of the contractual KPI target as

AMK – target 98.5% – year end position 2013/14 – 99.21%

RFT – target 92% – year end position 2013/14 - 97.73%

Beyond delivery of the Responsive Repairs Service the contract also delivers on 5 other work streams:

- Voids – Major & Minor
- Gas Safety & Cyclical Works

- Planned Works
- Capital Works
- Aids and Adaptations

Voids (Empty Homes)

The IPSC specifically asked following the presentation of the November 2013 update on R & M for more detail to be provided around Voids performance and expressed some specific concerns about the quality of properties being let.

In January 2014 the responsibility for service deliver in respect of R & M to voids was returned to the CSD team from the Choice Based Lettings team who had overseen this work-stream since the closure of the ALMO in 2011. In the period 2013/14 the Council saw a significant upturn in void property volumes from a historical average of C1500 properties per annum to over 2000 returned in 2013/14. This clearly place additional pressure on the service and the contract partners who had geared up capacity around the original volumes. This also created an additional financial strain on the R & M budget due to the increased volumes.

At the 1st January there were 324 empty properties on the books. The following actions have been taken to address the arising issues and to tackle the time to re-let and quality issues raised by the committee.

Actions taken:

- Processes have been changed to introduce “Back to Back” lettings the aim with these properties is to carry out minimal works on properties that are returned in a good state of repair. This reduces re-let times and costs due to decreases in work required and carried out. It also offers in some case additional items such as Carpets (where in good condition) being left for incoming Tenants. In all case the R & M service carry out both Electrical and Gas Safety checks at change of Tenancy as a matter of course.
- The level of post works QA have been increased to 100% on voids where major works are carried out and currently 100% on minor voids where repairs only are undertaken. QA checklists have been introduced to be completed by the partners and then signed off by the Technical Officer responsible at point of handover. In due course we aim to reduce levels of inspection on minor voids to C25% once all are satisfied the quality of returns is under control.
- We are now ensuring that 100% of properties for re-let have EPC survey this helps to inform incoming Tenants and the Asset Management team about the efficiency of the property in regard to heating and running costs. This data will be used to inform future investments on insulation and other energy efficiency measures.
- We are undertaking a trial in respect of void security by eliminating void screening to be replaced with more discreet security. This aims to:
 - improve the appearance of the estates,
 - reduce cost and damaged caused as a consequence of screening,
 - reduce re-let times by removing delays caused waiting for the removal of screens
 - follows current best practice in respect of a more modern approach to void security.
- An arrangement has been entered into with British Gas to ensure that Utilities (Gas & Electric) are in place and the point when the new Tenancy starts. This means the Council inform British Gas once we have notice of termination, 21 days later the

utilities are transferred into the name of the council with British Gas as the supplier. At time of re-let the responsibility for the utilities is then passed on to the incoming Tenant. Clearly the new Tenant has the option to remain with British Gas or to move to a supplier of their own choice. This action ensures:

- The Council can carry out appropriate safety checks on live supplies during the vacant period,
 - It allows the contractors facilities such as lighting and power for repairs and helps the cleaners as they can now access hot water and power for cleaning if required.
 - This should facilitate a reduction in re-let times avoiding delays and rent lost due to the property not being fit for occupation due to lack of facilities, i.e. Heat and Power.
- A further trial is about to start to reduce issues caused by key management. A new system using a “master key” approach is to be trailed to see if a one key fits all approach to voids can be adopted. This will involve changing the lock barrel at the start of the void period and changing again at the start of the new tenancy. The lock fitted in the interim – i.e. while the property is void, can be access by those with the master key – Contractors, Cleaners, and Technical Officers etc.
 - The system adopted has two levels of security the physical key which is also an electronic key matched to the cylinder in the door and controlled by the CSD team. This means no one can go out and buy a physical key and access the property as it will not trigger the electronic element of the security.
 - Keys will be set up to be live for 1 week only and during working hours only after which they will need to be re validated – any keys not validated will cease to work. As such the system has a very high level of security attached to it and poses little risk to the Council of security breach. This approach which will be trialled for the next 3 months will again reduce let times as it will no longer be necessary to pass the keys from one party to the next where each transfer has the risk of adding a day to the process.

Outturns due to actions taken:

- At 1st Jan 2014 324 Empty Properties. In the preceding 6 months this has been reduced to an average of 185 and this level has been maintained and a target set to keep this number below 200 units at any one time being vacant or C1% of the stock
- Re-let times measured against the national bench mark is now running at 21.81 (22.04 days in May 2014 & 22.38 in April 2014) – this is against an agreed target of 25 days.
- The quality of properties being returned has improved measured by the reduced level of complaints and comments and feedback from the Tenants working group who visit to check on quality on a regular basis.
- Cleaning – this was an area of concern and one where quality was falling below an acceptable standard. The matter has been discussed with EDS who provide this service and actions agreed to improve the outturn. The provision of utilities referred to earlier should help in this regard – i.e. ability to have power on in the property.

Two areas of concern in respect to void properties are Gardens and Outhouses.

Gardens

Over many years minimal works have been undertaken in Gardens and this has culminated in many being in a poor state of maintenance. The costs associated with addressing this issue will be significant and work will be started shortly to establish how

best to address this matter both from a cost and process point of view. Attached at appendix B are some example photographs of Void Gardens.

Outhouses

Again these have not been a focus of repair over recent years and again a policy and approach is being investigated.

Gas & Cyclical Works

One key area in this work stream is the maintaining of compliance with the Councils responsibility as Landlord, within gas safety legislation. Since the start of the contract there has been a significant improvement in compliance. The table below shows the compliance percentage for the last 6 months. Regrettable in January and due to an IT issue we failed to meet to KPI for this area of service. However the problem was recognised early and action taken to address the situation and bring performance back on track within the month.

Month	Minimum acceptable percentage against 100% Compliance objective	Outturn
October 2013	99.6%	99.95%
November 2013	99.6%	99.93%
December 2013	99.6%	99.87%
January 2014	99.6%	99.33%
February 2014	99.6%	99.98%
March 2014	99.6%	99.97%

This position reduces risk for the council of breaching Health and Safety regulation and reduces costs of enforcement through gaining legal access.

Gas Responsive Repairs

The level of Gas Responsive Repairs remains stubbornly high at around 18,500 jobs per year. We continue to work with our partners to improve the service and seek to identify issues that may result in reducing demand over time. The particularly mild winter has helped in respect of performance in this area.

Planned and Capital Works

Both R & M contractors are actively carrying out planned and capital schemes across the borough.

Additional contractors have been engaged for the delivery of some Capital schemes:

- Keepmoat for a programme of facias, soffits and rainwater goods and some door and window replacements.
- Bamford Doors for replacement of communal entrance doors to blocks of flats

A focus for the client team is and remains both quality of outturn and timeliness of delivery. Significant progress has been made in respect of quality of outturn, some work remains to be done in respect of timeliness.

Aids and Adaptations

Both R & M contractors deliver works on Aids and Adaptations in three work areas:

- Minor Fixings
- Minor Adaptations
- Major Adaptations

These works are measured against fixed timescales for each area of work and progress reported monthly – 99.06% of works were delivered on time as a cumulative out-turn for 2013/14.

Contractors Corporate and Social Responsibility

All contractors involved in the repair and maintenance of housing have embraced this aspect of their responsibility and the results are visible in the commitments they have made to Rotherham.

Some examples of contributions made:

May 2014

Our operatives Steve Oscroft and Martin Sanderson recently installed water butts, donated by Tesco, at Shaftesbury House. These will collect rain water for the community garden. The residents were over the moon and sent their thanks to the operatives.

We were approached by Sarah Vogelsang to ask if we could support Kimberworth TARA group in helping them fund a skip for their community project. We were able to help and managed to secure a skip via network waste who provided the skip free of charge.

Thanks came from the Electoral Services Officer for our work and support in contributing to a successful election. This was in the form of the delivery/collection of the polling equipment, getting all the polling booths/noticeboards ready and ensuring lighting was provided and any issues resolved.

June 2014

Morrison linked with Rotherham schools to provide work experience to a total of 17 students. Each student was provided with the opportunity for a full week working with a variety of operatives and supervisors, giving them a varied learning experience. This project was enjoyed by all involved, both students and Morrison colleagues.

Rotherfed's Open Forum was attended by our Customer Care Team who offered information and support to residents. We also attended one of the planned workshops, Repairs Workshop, delivered by RMBC to offer support as required.

Morrison took a group of 12 residents to CIH Manchester where they were able to visit the various stands attending the exhibition. They also attended the Mears Lunch at the adjacent Midland Hotel where they were given the opportunity to mix and talk with

residents from other Councils and Housing Associations from around the country. A very informative and enjoyable day.

A cake sale was held in the offices at Thames Street in support of the Motor Neurone Disease Association raising a fantastic £75. This was at the suggestion of one of our operatives as a way to support a colleague who's father has recently been diagnosed.

July 2014

We were approached by Canklow TARA to assist them to brighten up their shopping area. They had been given a grant from Rotherfed to purchase 10 hanging baskets and brackets but were in need of some assistance in fitting these to 5 commercial properties. We arranged for our on-call operative to meet with Julie on Sunday 6th July to fit the brackets and hang the baskets.

Canklow Rain Shelter is finally underway within the community garden. This project has been delayed several times due to poor weather conditions, but hopefully the weather will hold out until this is completed.

Both partners continue to support apprentices and offer significant training opportunities on the back of the work they carry out in the Borough. Both Contractors will be holding their annual Apprenticeship Award Ceremonies in November of this year.

We will continue to focus on the added value that can be achieved through partnership and look for ways to support our communities where ever possible. An example of this approach is the work we are now doing with R & M partners to identify potential disrepair or propret neglect for further investigation by the Neighbourhood Housing Officers.

What does the future hold?

The Contract and Service Development Team as the name suggests are committed to working with both partners to modernise the service and improve the experience for the customer. We have seen significant improvement through joint effort and must continue to build on this platform.

What will we be working on?

Service development is a journey and we have reached a milestone on the way from which we must move on, objectives for the next year are:

- Focus on Voids / Empty Properties to embed the progress made in the last 6 months
- Continuing the focus on quality of outturn and workmanship with a view to further improvement. This will include appropriate levels of Quality Assurance inspection to ensure standards are maintained.
- To improve perception and recognition of the service by delivering to the highest standards
- We are working with our partners to reduce the level of minor defects and ensure that the level of customer care received is of the highest standard.

8. Finance

There are no specific financial issues in relationship to this report.

9. Risk

There are no specific risk issues in relationship to this report.

10. Background papers and consultation

Appendix A 2013/14 Year KPI outturns

Appendix B Void Gardens

11. Contact name

John Brayshaw

Contract and Service Development Manager

John.brayshaw@rotherham.gov.uk

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Morrison FS

KPI Ref. No.	Description	Denominator	Numerator	March 14 Performance	Target
ROKI 1A	Overall Customer Satisfaction	1581	1579	99.87%	95.50%
ROKI 1C	Response rate	2182	1581	72.46%	62.00%
ROKI 1D	Overall satisfaction with adaptation works	47	47	100.00%	98.50%
ROKI 1E	Customer complaints	2	14	7.00	8.00
ROKI 2A	% of emergency repairs completed within target total	479	479	100.00%	99.00%
ROKI 2B	% of urgent repairs completed within target	347	347	100.00%	99.00%
ROKI 2C	% of routine repairs completed within target	1356	1341	98.89%	98.00%
ROKI 2D	Average number of days to complete minor voids	72	616	8.56	14.00
ROKI 2E	Average number of days to complete major voids	9	158	17.56	22.00
ROKI 2F	% of total responsive repairs completed within target	2182	2167	99.31%	99.00%
ROKI 2G	Average time taken to complete routine repairs	1356	16254	11.99	28.00
ROKI 2H	% of total planned and capital repairs completed within target	133	133	100.00%	94.00%
ROKI 2I	% of Adaptation Works Completed Within Target	83	81	97.59%	97.00%
ROKI 3A	% of Repairs Completed to An Acceptable Standard	83	83	100.00%	95.00%
ROKI 3Ba	% of responsive repairs completed "Right First Time"	1581	1541	97.47%	92.00%
ROKI 4a	% of responsive repairs where an appointment has been made was kept	1197	1197	100.00%	98.50%
ROKI 5A	Accident Incident Rate (AIR)	0	0	100.00%	100.00%

WDP Performance

KPI Ref. No.	Description	Denominator	Numerator	March 14 Performance	Target
ROKI 1A	Overall Customer Satisfaction	1273	1271	99.84%	95.50%
ROKI 1C	Response rate	1816	1273	70.10%	62.00%
ROKI 1D	Overall satisfaction with adaptation works				98.50%
ROKI 1E	Customer complaints	4	32	8.00	8.00
ROKI 2A	% of emergency repairs completed within target total	326	326	100.00%	99.00%
ROKI 2B	% of urgent repairs completed within target	348	346	99.43%	99.00%
ROKI 2C	% of routine repairs completed within target	1142	1133	99.21%	98.00%
ROKI 2D	Average number of days to complete minor voids	65	744	11.45	14.00
ROKI 2E	Average number of days to complete major voids	13	221	17.00	22.00
ROKI 2F	% of total responsive repairs completed within target	1816	1805	99.39%	99.00%
ROKI 2G	Average time taken to complete routine repairs	1142	11588	10.15	28.00
ROKI 2H	% of total planned and capital repairs completed within target	175	175	100.00%	94.00%
ROKI 2I	Average time taken to complete adaptation works	246	246	100.00%	97.00%
ROKI 3A	% of Repairs Completed to An Acceptable Standard	71	71	100.00%	95.00%
ROKI 3Ba	% of responsive repairs completed "Right First Time"	1036	1017	98.17%	92.00%
ROKI 4a	% of responsive repairs where an appointment has been made was kept	1001	1000	99.90%	98.50%
ROKI 5A	Accident Incident Rate (AIR)			100.00%	100.00%

Overall Performance

KPI Ref. No.	Description	Denominator	Numerator	March 14 Performance	Target
ROKI 1A	Overall Customer Satisfaction	2854	2850	99.86%	95.50%
ROKI 1C	Response rate	3998	2854	71.39%	62.00%
ROKI 1D	Overall satisfaction with adaptation works	47	47	100.00%	98.50%
ROKI 1E	Customer complaints	6	46	7.67	8.00
ROKI 2A	% of emergency repairs completed within target total	805	805	100.00%	99.00%
ROKI 2B	% of urgent repairs completed within target	695	693	99.71%	99.00%
ROKI 2C	% of routine repairs completed within target	2498	2474	99.04%	98.00%
ROKI 2D	Average number of days to complete minor voids	137	1360	9.93	14.00
ROKI 2E	Average number of days to complete major voids	22	379	17.23	22.00
ROKI 2F	% of total responsive repairs completed within target	3998	3972	99.35%	99.00%
ROKI 2G	Average time taken to complete routine repairs	2498	27842	11.15	28.00
ROKI 2H	% of total planned and capital repairs completed within target	308	308	100.00%	94.00%
ROKI 2I	Average time taken to complete adaptation works	329	327	99.39%	97.00%
ROKI 3A	% of Repairs Completed to An Acceptable Standard	154	154	100.00%	95.00%
ROKI 3Ba	% of responsive repairs completed "Right First Time"	2617	2558	97.75%	92.00%
ROKI 4a	% of responsive repairs where an appointment has been made was kept	2198	2197	99.95%	98.50%
ROKI 5A	Accident Incident Rate (AIR)	0	0	100.00%	100.00%

WDP Gas

KPI Ref. No.	Description	Denominator	Numerator	March 14 Performance	Target
ROKI 1A	Overall Customer Satisfaction	760	758	99.74%	95.50%
ROKI 1C	Response rate	1342	760	56.63%	62.00%

ROKI 2A	% of emergency repairs completed within target total	999	992	99.30%	99.00%
ROKI 2B	% of urgent repairs completed within target	5	5	100.00%	99.00%
ROKI 2C	% of routine repairs completed within target	338	333	98.52%	98.00%
ROKI 2F	% of total responsive repairs completed within target	3101	2510	80.94%	99.00%
ROKI 2G	Average time taken to complete routine repairs	338	1996	5.91	28.00
ROKI 3A	% of Repairs Completed to An Acceptable Standard	14	14	100.00%	95.00%
ROKI 3Ba	% of responsive repairs completed "Right First Time"	170	167	98.24%	92.00%
ROKI 4a	% of responsive repairs where an appointment has been made was kept	216	215	99.54%	98.50%

Overall Performance Inc Gas

KPI Ref. No.	Description	Denominator	Numerator	March 14 Performance	Target
ROKI 1A	Overall Customer Satisfaction	3614	3608	99.83%	95.50%
ROKI 1C	Response rate	5340	3614	67.68%	62.00%
ROKI 1D	Overall satisfaction with adaptation works	47	47	100.00%	98.50%
ROKI 1E	Customer complaints	6	46	7.67	8.00
ROKI 2A	% of emergency repairs completed within target total	1804	1797	99.61%	99.00%
ROKI 2B	% of urgent repairs completed within target	700	698	99.71%	99.00%
ROKI 2C	% of routine repairs completed within target	2836	2807	98.98%	98.00%
ROKI 2D	Average number of days to complete minor voids	137	1360	9.93	14.00
ROKI 2E	Average number of days to complete major voids	22	379	17.23	22.00
ROKI 2F	% of total responsive repairs completed within target	5340	5302	99.29%	99.00%
ROKI 2G	Average time taken to complete routine repairs	2836	29838	10.52	28.00
ROKI 2H	% of total planned and capital repairs completed within target	308	308	100.00%	94.00%
ROKI 2I	Average time taken to complete adaptation works	329	327	99.39%	97.00%
ROKI 3A	% of Repairs Completed to An Acceptable Standard	168	168	100.00%	95.00%
ROKI 3Ba	% of responsive repairs completed "Right First Time"	2787	2725	97.78%	92.00%
ROKI 4a	% of responsive repairs where an appointment has been made was kept	2367	2366	99.96%	98.50%
ROKI 5A	Accident Incident Rate (AIR)	0	0	100.00%	100.00%

February 14 Performance	DOTFPM	Cumulative Performance
99.93%	↓	99.59%
65.33%	↑	65.57%
100.00%	↔	99.82%
4.33	↓	2.22
99.81%	↑	99.86%
99.49%	↑	100.00%
98.80%	↑	98.92%
10.32	↑	11.32
20.33	↑	15.21
99.19%	↑	99.26%
11.93	↓	9.69
100.00%	↔	100.00%
100.00%	↑	99.36%
100.00%	↔	98.63%
98.10%	↓	98.13%
100.00%	↔	99.98%
100.00%	↔	100.00%

February 14 Performance	DOTFPM	Cumulative Performance
99.67%	↑	98.92%
81.60%	↓	80.91%
	↔	
4.00	↓	5.54
99.44%	↑	99.64%
100.00%	↓	100.00%
99.52%	↓	99.26%
12.90	↑	13.28
17.17	↑	18.11
99.57%	↓	99.40%
7.75	↓	4.09
100.00%	↔	100.00%
99.42%	↓	98.85%
100.00%	↔	98.84%
97.88%	↑	97.23%
99.77%	↑	98.71%
100.00%	↔	100.00%

February 14 Performance	DOTFPM	Cumulative Performance
99.79%	↑	99.19%
72.96%	↓	85.65%
100.00%	↔	99.82%
4.25	↓	3.90
99.67%	↑	99.76%
99.69%	↑	100.00%
99.17%	↓	99.09%
11.55	↑	12.24
18.22	↑	16.85
99.37%	↓	99.29%
9.76	↓	6.18
100.00%	↔	100.00%
99.67%	↑	99.06%
100.00%	↔	98.71%
98.00%	↓	97.73%
99.87%	↑	99.21%
100.00%	↔	100.00%

February 14 Performance	DOTFPM	Cumulative Performance
99.75%	↓	95.61%
52.36%	↑	139.06%

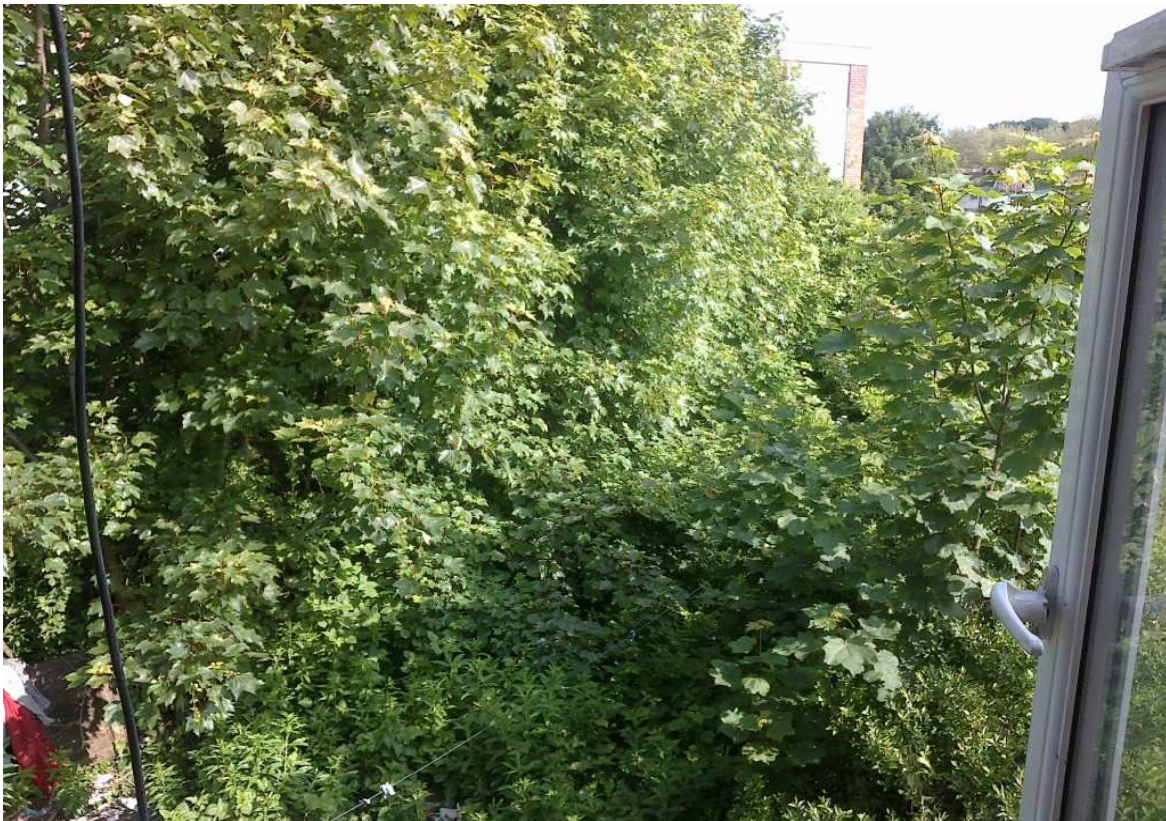
98.62%	↑	97.89%
100.00%	↔	100.00%
96.36%	↑	98.11%
78.52%	↑	97.94%
8.56	↑	8.20
76.92%	↓	93.17%
97.50%	↑	92.55%
99.54%	↔	98.97%

February 14 Performance	DOTFPM	Cumulative Performance
99.78%	↑	98.24%
67.17%	↑	85.97%
100.00%	↔	99.82%
4.25	↓	3.90
99.07%	↑	98.80%
99.69%	↑	100.00%
98.79%	↑	98.96%
11.55	↑	12.24
18.22	↑	16.85
99.00%	↑	98.94%
9.60	↓	6.38
100.00%	↔	100.00%
99.67%	↑	99.06%
97.83%	↓	98.19%
97.98%	↓	97.46%
99.89%	↑	99.18%
100.00%	↔	100.00%

64 Middle Avenue



12 West Avenue – from bedroom window



13 Beckwith



13 Farnworth



40 Oates Avenue



ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Improving Places Committee
2.	Date:	Wednesday 23rd July 2014
3.	Title:	Collective Switching Scheme (The Big Switch)
4.	Directorate:	Environment and Development Services

5. Summary

The purpose of collective switching is to allow consumers to group together to increase their buying power and to negotiate a better deal from gas and electricity suppliers. The more people who are involved in a switch, the bigger the buying power and the better the deal is likely to be.

An assessment to look at the feasibility of implementing a Rotherham collective switching scheme was carried out by Corporate Environment Team in February 2014. The assessment looked at various schemes; reviewed costs, benefits and potential funding; resource implications and feasibility. Details of the assessment are in paragraph 7.

6. Recommendations

- Due to the resource implications compared with the risk and the small percentage of householders that may benefit, implementing a 'Bigswitch' style scheme is not recommended.
 - Consider the report and focus resources on:
 - Continuing to work with tenants to reduce energy consumption.
 - Housing & Neighbourhood Services assess the feasibility of Neighbourhood Wardens working with residents to secure the best utility prices through price comparison sites.
 - Corporate Environmental Team to continue to monitor the energy markets in case the situation changes.
-

7. Proposals and Details

Many people are paying too much for their energy and rising fuel bills can be a real concern. Some households are reluctant to switch suppliers because they're not sure how to; do not have confidence in the energy market; do not understand their energy bills and tariffs or they don't have time. National statistics show:

- Nearly two-thirds of UK consumers have never switched energy supplier
- 33% of British consumers are concerned about their energy bills
- 43% don't prioritise shopping around for a better energy deal

Collective switching schemes have been given a lot of press coverage recently, partly on the back of the Government's support for 'The Big Power Switch'. Switching can be beneficial especially for those in fuel poverty.

There is no set model but the most common schemes operate through a 3rd party:

1. Communicate and advertise the scheme.
2. Interested consumer register for the scheme.
3. Organiser / nominated service provider negotiates with supplier to secure the best deal. Supplier selected.
4. Consumers receive a no obligation personalised offer and if they decide to switch, they enter into a contract with their new supplier.

Gas and electricity markets are complex and involve a range of factors and variables that any potential scheme organiser will need to consider including the potential legal implications.

Housing & Neighbourhood Services has looked at implementing a collective switching scheme previously but it was dismissed due to a lack of resources. Rotherham MBC, Corporate Environment Team looked at the feasibility of implementing a Rotherham collective switching scheme in February 2014 focussing on Council schemes:

- Barnsley – signed up to the YORswitch scheme (<http://yorswitch.com/>) through the ALMO Berneslai Homes and market the scheme on their website.
- Sheffield Council are winding down their scheme, uptake was poor to moderate.
- Doncaster Council recently set up a partnership with ichoosr to implement a collective switching scheme. A full time officer has been appointed to manage the scheme. When contacted they had ~12,000 interested householders.
- Lancashire (<http://www.peoplepower.co.uk/>) Currently 13,379 participants have registered to the web based scheme but limited information available.
- Kirklees Council partnered with a non profit community organisation, Community Energy (<http://www.communityenergy.info/>) for a 1 off collective switching scheme (7,000 registered; 3,500 received a better offer; 613 switched). They now promote 'Helping Consumers With Energy Bills: Beyond Collective Switching' focussing on reducing energy consumption and providing an energy tariff comparison web resource.
- York City also signed up with Community Energy.

- Hull Council; East Riding Council and Peterborough Council also assessed with limited information available

Nearly all schemes (all the ones looked at) are administered by ichooser (<http://www.ichoosr.com/en/>). A number of questions were raised through their online contact page and as yet no reply.

Some organisations previously arranging collective switching have resorted to tariff switching with no date to continue with collective switching due to market changes and OFGEM tightening up on accreditation schemes.

YORswitch is a brand used by East Riding and Barnsley – ichooser are the company that run the scheme. When speaking to them they did believe that Rotherham was a partner. Councils can be involved at various levels so Rotherham MBC could support the intranet based registration scheme (open nationally), do no marketing at all and have very little to do. This would not allow anybody without IT access to be involved so could be a problem by ignoring those that are the most vulnerable such as the elderly.

LGA has developed a framework contract (with ichooser) for Collective Energy Switching Schemes to assist Local Authorities and other public sector organisations in implementing schemes within their communities. The framework is still active.

The scheme wasn't adopted at this time due a lack of resources and concerns that collective switching didn't always benefit householders.

8. Finance

There is no known external funding that can be applied for to implement a scheme.

In order to facilitate and manage a collective energy scheme 1 FTE would be required to plan; tender and procure; organise and co-ordinate the collective switching process; become a point of contact for registered/interested residents; arrange marketing and monitor / report achievements.

No revenue budget has been identified to cover the costs of such a post and therefore if appointment was made it would result in an overspend.

9. Risks and Uncertainties

Collective switching contracts are usually for 1 year and consumers must be ready to switch again the following year or potentially face a higher tariff than they had originally.

Consumers could be given a tariff that does not benefit them financially and due to the complexities of energy pricing not realise the negative effect. A RMBC colleague signed up to the Doncaster scheme and was offered a tariff that was detrimental financially. He works in the energy market so was able to calculate the mistake and go back to the scheme and explain it was more expensive. They then offered a better tariff; the wrong initial tariff had been used in the calculation.

The Warm Home Discount provides rebates on electricity bills if on 12 July 2014 all of the following apply:

- your supplier was part of the scheme
- your name (or your partner's) was on the bill

- you were getting the Guarantee Credit element of Pension Credit (even if you get Savings Credit as well)

For the winter period each year this amount has been set at £140 and will take the form of a one-off discount on the electricity bill. Some suppliers also offer the discount to a 'broader group' of customers who are vulnerable to falling into fuel poverty, such as low income households. In these cases, each supplier has its own eligibility criteria and a limit on how many discounts it will pay out. Some providers require re-application for the Warm Home Discount after switching. This could result in some consumers losing the discount after switching and potentially be worse off.

Before switching, a check is needed to see whether switching will incur a fee for cancelling the current energy deal. Exit fees are common with fixed rate tariffs if switching early.

Switching energy supplier for individual households is being made simpler and quicker and energy bills will be clearer following new rules and actions taken by DECC and Ofgem.

10. Policy and Performance Agenda Implications

Collective switching does support the Corporate Plan 2013 – 2016 Priority 2: Protecting our most vulnerable people and families, enabling them to maximise their independence.

11. Background Papers and Consultation

<https://www.gov.uk/collective-switching-and-purchasing>

<https://www.ofgem.gov.uk/ofgem-publications/38442/collective-switching-open-letter.pdf>

Contact Name:

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Paul Maplethorpe, Affordable Warmth & Sustainable Energy Coordinator, paul.maplethorpe@rotherham.gov.uk

ROTHERHAM BOROUGH COUNCIL - REPORT TO MEMBERS
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1.	Meeting:	Improving Places Select Commission
2.	Date:	Wednesday 23rd July 2014
3.	Title:	Scrutiny review on supporting the local economy
4.	Directorate:	Chief Executive's

5. Summary

This review was conducted by a review group from Improving Places Select Commission, Chaired by Cllr Emma Wallis. The review itself was conducted as part of the 2013/14 work programme. The attached version of the report is still only in draft as it is still being consulted on for factual accuracy. The Select Commission will be presented with the final version at the meeting scheduled for the 3rd September 2014.

6. Recommendations

That Members:

- **Discuss and agree the draft recommendations**

7. Proposals and details

The review group was established as part of the work programme for 2013/14. It took place during November 2013 to May 2014. It was a key piece of work for the Improving Places Select Commission and the key findings will be presented as part of a powerpoint presentation at the meeting.

The report is still in draft format as it is still awaiting amendments and comments relating to factual accuracy from all of those involved in the review. The Select Commission will have a final opportunity to consider a near final version of the review at its meeting on the 3rd September but the review group wish the findings of the report to be discussed prior to that due to the delay between carrying out the review and publishing the final report.

8. Finance

There are no immediate financial implications arising from the report, however, full implementation of the recommendations may have some resource implications for the Council and partners.

9. Risks and Uncertainties

The main risks are associated with the Council not acting appropriately to stimulate the economy during a key period of growth.

10. Policy and Performance Agenda Implications

Supporting the economy is a key corporate priority for the Council and a key element of the Sheffield City Region agenda.

11. Background Papers and Consultation

12 Contact

Deborah Fellowes,
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Scrutiny review: Supporting the Local Economy

Review of the Improving Places Select Commission

November 2013 – May 2014

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5. Key Findings

6. Recommendations

7. Background papers

8. Thanks

DRAFT

Executive Summary

The aim of the review:

The review group was made up of the following members:

- Cllr Emma Wallis (Chair)
- Cllr Alan Atkin
- Cllr Dominic Beck
- Cllr Clive Jepson

Summary of findings and recommendations

The agreed objectives of the review were:

- To analyse the impact of changes to local government finance – particularly business rates
- To analyse how the Council can create the right conditions for growth in the private sector
- To influence the development of the growth plan for Rotherham, which in turn feeds into the City Region growth plan.
- To develop a whole council approach to increase business rates in Rotherham

The scope of the review was kept narrow as it was anticipated that the review could expand to cover a wide range of issues thus diluting the impact of its recommendations and extending the time it would take to complete. Members therefore agreed to focus on the following lines of enquiry during the review:

- What is the impact of an increase/decrease in business rates on the Council finances?
- What is the impact of this on the local economy?
- How can the Council support economic development and what should be in the growth plan? What different models can be adopted?
- How are supply chains supported?
- What incentives can be offered to local businesses?
- How do we evaluate success? How have others achieved it?
- Impact of funding
- What are Rotherham's growth areas?
- What specifically is the approach to Tourism?
- How can the following services be used to generate business investment?
 - Asset Management
 - Transport
 - Planning
 - Housing
- How do we impact on the most deprived areas of Rotherham?

The key findings from the review fell under the following headings:

The recommendations that emerged from these findings were further broken down into those that could be implemented quickly and those that were more strategic in nature. The latter focused very much on structural responses within the Council and also working in a more multi-disciplinary manner, including interaction with partners.

The recommendations are.

1. Why members wanted to undertake this review?

This review was identified and agreed as part of the work programme for the Improving Places Select Commission for 2013/14. Due to the changes to Local Government Finance and in particular the business rates, it was agreed that the Council needed to focus on ways to support the local economy to generate an increase in business rates. These efforts also need to focus on generating employment and training opportunities for local residents and stimulating the multiplier effect, retaining as much private sector investment in the local economy as possible. This review was scoped to complement the Commissioning review being carried out by the Self Regulation Select Commission which is focused, amongst other things, on the potential for the public sector to stimulate the local economy via its procurement function.

It would also aim to support the achievement of the following Council priorities from the Corporate Plan:

- Supporting the Local Economy

2. Methodology

The work of the review group was conducted over 7 months and 6 separate meetings. Members heard from a range of witnesses from within the identified functions of the Council and also from the private sector and Chamber of Commerce.

The review has been provided with support by Paul Woodcock and Simeon Leach from Environment and Development Services. Other witnesses that contributed to the review were:

- Paul Smith, Asset Management
- Peter Hudson, Finance
- Anne Ellis, Finance
- Tim O'Connell, RIDO
- Bronwen Knight, Planning
- Tom Finnegan-Smith, Transportation
- Tom Bell, Housing
- , Tata Steel
- , Tata Steel
- Mark Davis, Strata Developments
- Andrew Denniff, Barnsley and Rotherham Chamber of Commerce
- John McCreadie, Ekosgen

The review group received verbal evidence (in many cases supplemented with written information and powerpoint presentations) at each of the six sessions and drew their conclusions predominantly from the evidence received. Some desk research was also completed.

2 Background

2.1 Rotherham's Local Economy.

Rotherham currently under-performs against both regional and national averages in a number of economic measures (employment rate, economic activity rate, out of work benefits claimant rate, business numbers, working age population educated to NVQ4 or above and working age population with no qualifications). This is to the detriment of the local, regional and UK economy as well as the lives of Rotherham residents. Rotherham has a proven track record in economic development and regeneration; for example town centre development, business incubation and transforming former brownfield land, all of which has required a strong partnership approach to economic development.

Between 1990 and 2008 was a period of economic growth, but the growth was predominantly in public sector jobs. Growth in the private sector was netted by the loss of jobs in manufacturing. Rotherham's record during this period was good due to the good land supply in the Dearne Valley. The Rotherham workforce increased by 23%, with a significant proportion of these jobs being in the private sector, one of only 3 Sheffield City Region (SCR) authorities where private sector employment increased.

New economic growth is in business services and call centres which could result in outsourcing, lower wages and short term employment opportunities. The pressure for low cost in the market affects the quality of jobs created. Therefore a mix of jobs is to be expected.

Evidence suggests we are at the start of a new growth cycle. The strategic economic plan will have less money attached to it than was expected and the biggest pot of funding within that is transport funding.

What are the main strengths and barriers for Rotherham?

- Schools are good up to age 16 (GCSE level). Rotherham Ready is a positive project
- Reduction in funding available means getting the package right for businesses is crucial.
- Learning and skills post 16, including Adults is not performing as well as schools. This has implications for the lifelong learning agenda and links between adult skills development, employability and the skills needs of local employers
- Need to invest in the right skills for employers.
- Outcomes to monitor might be the number of local people going into apprenticeships and the number of Rotherham companies taking up the business support that is on offer.

2.2 Sheffield City Region

Rotherham is one of 9 local authorities within the Sheffield City Region (SCR). Within the SCR there is a Local Enterprise Partnership (LEP), a private sector led partnership focusing on the growth of the SCR economy. The Government's agenda is increasingly devolve the power and funding to local level via the LEPs, therefore this is key to accessing the responsibility and funding to successfully grow Rotherham's economy. The LEP has a developing Growth Plan which sets out the main priorities and actions

for the SCR to grow its economy, as well as being used as a bidding document in to the Government's "Single Local Growth Fund". The private sector themselves are able to bid into the Government's Regional Growth Fund. Evidence suggests that this fund is not being well accessed by private companies. It has been broadened from being just loaned to companies but still a lot of bids have stalled due to government conditions being too tough. It is the role of LEPs to work with companies to get access to the Regional Growth Fund. Bureaucracy is an issue and it is increasing the costs of creating jobs. In economic development terms money is spent slowly and converting it into action and outputs takes time.

In terms of the SCR and Rotherham's relationship with it:

- Who will get what in terms of jobs and businesses?
- Very little pooling of budgets within combined authorities to date
- This will be increasingly challenging when the sums of money increase
- Partner authorities have to have faith in the pooling and that they will get their fair shares. Will the City Region be collectively better off as a result of setting up the authority? The government is likely to put more money into collaborative approaches.

2.3 Challenges.

Local Government Finance – business rates model

The **Local Government Finance Act 2012** brought about substantial changes in the way councils are funded from 1 April 2013. The Key Changes were:

- **Business Rates Retention,**
- Council Tax Reduction Scheme replacing benefits,
- Local discretion over Council Tax levels for second and empty properties

It is critical on the back of this model to generate inward investment and new business development.

- The top up grant applies for 7 years and is fixed plus RPI.
- Local councils can influence the income levels they receive from business rates (currently approximately £34,000)
- The baseline assessment will be reviewed but is not clear on the frequency of this.
- There is a potential impact on Rotherham of the Enterprise Zone as growth in business rates (over and above £0.4m current level) will go directly to SCR. It was agreed that we shouldn't be protectionist but also need to make the most of it for Rotherham.
- 22% of Rotherham's business rates income is dependent on 21 payers

- Members felt that there is a need to focus on inward investment in the services sector, call centres and retail (supermarkets) and high value added manufacturing.
- £641,000 rates relief is lost to the Council per year. Leisure Centres receive 100% as part of the PFI contract.
- Business rates from renewable energy can be kept by the Council but needs clarifying what will happen if these are located within the Enterprise Zone.

A key issue for the purposes of this review and the resilience of Rotherham's Local Economy is the reliance on a small number of big companies – 22% of business rates income is dependent on 21 key payers (including the Council)

Transition from industrial to post industrial.

There is a transition in the modern economy to high value added manufacturing via initiatives such as the Advanced Manufacturing Park. This is likely to create much less in terms of numbers of jobs, indeed there is a significant risk of jobless growth. This creates a significant challenge for the Council and its partners in terms of ensuring that the economic growth results in job opportunities for residents of Rotherham. The creation of higher quality, higher skilled jobs also creates challenges in terms of developing an aspirational offer for these jobs to be retained within the Rotherham economy.

The potential for economic growth to impact positively on people in deprived areas can be severely restricted with jobless growth or growth of high value, high skilled jobs. In theory, however, there are a significant number of jobs in Rotherham to enable the number of claimants to be reduced, but this doesn't reflect issues such as zero hour contracts and low rates of pay. Education and skills levels are significant issues in addressing this, particularly post 16. The private sector witnesses in this review presented some compelling thoughts and suggestions around this agenda.

Town Centre

With the building of more houses, more people will shop elsewhere unless the focus on town centres is maintained. This focus should also be on outlying town centres. The Council can be active investors in properties – instead of Asset Management selling them off, hold on to them for 3 or 4 years for the right time in the economic cycle.

Land supply.

This is a problem across South Yorkshire – brownfield sites are expensive therefore not much land is attractive to developers. There have been problems for example Dinnington where land has been cleared for housing but nothing is coming forward and it is too expensive. Of the sites identified in the local plan for employment – 12% are undeliverable.

Loss of funding and products/services.

The reduction in the amount of regeneration funding and funding directed at the private sector has been drastic and had a major impact on the business and investment

support landscape. Witnesses in this review have reported on the impact of this on partners' ability to effectively work with businesses and support them in their development and growth. The current European Regional Development Fund programme, which is the main source of funding for this area of work, will cease in 2015, which is likely to result in a further significant reduction in available resources and services.

This review therefore looked at the role the Local Authority can play in accessing funding, for example use of capital budgets rather than external funding. Manchester City Council regularly buy sites, hold them and then develop them when the time is right. Most funding now is in the form of borrowing and the Local Infrastructure Fund has to be re-paid. The pay back often doesn't work in economic terms which makes this approach very risky for Local Authorities. During the last 10 years many Government quangos and agencies involved in economic regeneration and skills development have come and gone, as have many different funding regimes. The review group noted that the only constant during this period of rapid change has been local government. They therefore, potentially have the best area of influence over social and economic problems.

Adults skills levels.

Although Rotherham's schools are performing well, there is still a considerable challenge to be addressed around skills levels for children aged 16+ and adults. The Growth Plan will need to look at this seriously and challenging outcomes need to be set for partners involved in its delivery, for example around the number of young people moving into high quality apprenticeships.

3. Evidence

3.1 Rotherham Council:

Asset management.

This includes the following sections with the Council:

- Construction
- Facilities Management (except housing and green spaces)
- Estates function
- Environmental team

It also covers the strategy for Asset Management, Land and Property. A report on proposed changes to this is due to be considered by Cabinet.

They aim to minimise bureaucracy as much as possible to try to assist businesses. They hold a list of local businesses that will be contacted for smaller contracts e.g. school modification.

There are revenue benefits that come from operating to a wider strategy – e.g. maximising business rates. Some properties have been disposed of in the past without reference to a wider strategy in this way. The Council can be more proactive with assets rather than just selling them.

The Council, however, unfortunately has a lack of resources for maintaining property. Most assets are being sold for the land rather than the property. There is a need to focus on an area based regeneration approach rather than just selling properties.

There has been a deterioration of properties due to the spend moratorium – this is not essential spend therefore the Council is limited in its ability to invest in the buildings it owns.

A central one estate approach which aims for cost efficiencies but enables properties to be released for economic growth, would help.

Asset Management have been working on the AMP project called Re-volution, with RIDO, and on the back of this they will be able to develop a standard cost benefit analysis.

There has been a division between departments within the Council who all have their own growth plans – housing, economic development etc.. Need clear lead responsibility for growth and construction and growth plans should be the same. A Rotherham Economic Task Force dealing with the fragmentation between services and across partners could be considered.

RIDO

The review group considered evidence on the role of RIDO (Rotherham Investment and Development Office) in business growth generation. They provide three main functions; Inward Investment support, Business Incubation and Investor Development. The aim is for all of these functions to increase jobs growth in Rotherham which in turn increases income levels in the Borough and reduces the incidence of deprivation. He explained that there is also a fourth area of work around labour market initiatives.

The review group heard about how the Dearne Valley had been key to Rotherham's successful economy in the past and had created private sector jobs (unique to Rotherham in the sub region) during 1998-2013. Despite the recession, which started in 2007/8, Rotherham has not lost all of this growth which means that Rotherham's economy has had greater resilience as a result of this growth in the past.

RIDO is currently experiencing the highest number of enquiries for six years, most of which come via their separate website. RIDO's independent identity is key to this success, although they don't have a specific budget for advertising. Trade fairs and events prove very successful. RIDO is a well established and well known brand, not viewed by the private sector as part of the Council. Increasingly the press and PR for inward investment into the Sheffield City Region is being carried out by the LEP.

RIDO are able to provide a bespoke solution for inward investors around property, workforce and funding with other more unique drivers potentially coming into the frame depending upon the nature of the investment e.g. transport.

Experience of RIDO shows that in general businesses prefer developed sites rather than to purchase land. For this reason a mix of sites need to be available – land, office space, industrial units etc..

The Advanced Manufacturing Park is a success because of the role of the public sector in developing it. They took a long term approach and held out for quality. It has a momentum of its own now so doesn't need continued involvement. Planning were key supporting the initiative through the planning process. But it is important to note that the AMP is unlikely to yield a high number of jobs for Rotherham residents.

Local businesses can be helped by accessing a toolkit of business support products. This offer is now much smaller and weaker than it used to be, due to the decline in funding available. 6 local companies have accessed the Regional Growth Fund. RIDO also instigated a LEP bid to the RGF for businesses to bid into for smaller amounts.

In terms of business incubation, this has been an award winning approach in the past, providing support for business start ups. Business start up has always been provided by other partners but there is now a gap in the market. The exceptions are Rotherham Youth Enterprise and Rotherham Ready. The funding cuts and financial pressure being experienced by local government mean that in Rotherham, surpluses being generated by the incubation centres can no automatically be re-invested, although the centres continue to be successful and fully occupied.

In 2015 there will be a huge, further drop in available funding, due to the end of the ERDF programme. A further reduction in services available can be expected.

The review group reviewed examples of red tape and bureaucracy slowing down business growth – e.g. Reresby House. It was felt that the starting point for the council should be how can we make it happen. The Council should consider the establishment of a multi-functional pro- growth team, including links with education. The purpose would be to provide a single point of contact. Business and economic growth targets could also be attached to all appropriate teams.

A potential example of good practice is Re-volution, which needs to be monitored for outcomes. There is also potential for the Council to buy land from companies wishing to move and grow – e.g. KP nuts.

Planning

Members of the review group heard about the plan led system, which includes:

- Long term strategic planning
- Unitary Development Plan
 - Primarily regeneration of former coal field sites
 - Government money available
 - Creation of Enterprise zones
 - Dearne Valley, Thurcroft, Dinnington, Waverley

- Joined up approach

The Local Plan is different in that it is predominantly developer-led.

Current situation

- Housing sites in greenbelt
- Existing employment sites
- Sheffield city region Growth Plan aim of 70,000 jobs
- Spatial issues - Additional sites needed
- Planning issues v's economic development aspirations

The aim is to provide adequate land in the right location to attract development. Rotherham's Growth plan and the Local Plan should be integrated. Supporting a dynamic economy is one of the seven broad aims of the Local Plan.

There is currently no spatial element to the SCR Growth Plan. There is therefore conflict between planning and economic regeneration. Planning are currently looking at employment land and asking where is the next Dearne Valley?

The Town Centre first policy is still in existence.

Members of the Review Group heard about the example of working with Harworth Estates on a planning performance agreement which takes the planning application out of the process and enable the partners to set their own timescales. Harworth Estates initially funded a part time post to work with planning team, taking pragmatic approach around affordable housing.

In terms of deprived communities there is some evidence that in the Dearne Valley the call centres have lifted Wath just above deprived status. Planning will look at access to work and the location of employment land close to residential areas.

There is currently no Planning involvement in the Growth Plan. Members expressed concern about Sheffield not being a strong enough driver for the City Region and the potential need for a number of centres of growth. The LEP is private sector driven and could end up with jobless growth.

Transportation

The role of the team is to:

- Identify **Local Safety Schemes** – Focussed on Casualty reduction
- Undertake **Road Safety education and training** – pre-school to Colleges
- Introduce **Traffic Management** improvements – Congestion reduction, Urban Traffic Control

- **Assess proposed developments** to ensure they are appropriate – impact and mitigation
- Work with SYPTTE to introduce measures to **improve conditions for Public Transport**
- Develop **Transportation and Highways strategies** and policies – LDF Core Strategy input
- Actively **promote sustainable travel** – training and promotion activities
- Introduce **accessibility and connectivity improvements**
- Detailed **design of schemes** and contractor engagement/liaison
- Manage and maintain our **Traffic Signals and CCTV** networks
- Manage and maintain our **Highway Structures** – Bridges, subways, etc
- **Bid for funding to maximise Government and European investment into Rotherham**

Major projects:

- **Major Highways Improvement Projects:** A57 and A631 West Bawtry Road
- **Pinch Point Funding:** A630 Pool Green Roundabout and A630 Parkway Old Flatts Bridge
- **LTP Integrated Transport Improvements:** A630 Mushroom Roundabout signalisation, Crossing improvements, Cycle lanes, Bus Lane and Stop improvements, Local Safety Schemes.....
- **Local Sustainable Transport Fund** (Capital and Revenue): Canal Towpath Improvements, A633 Journey time improvements, Cycle links, Footway and Public Realm improvements, Cycle training and Cycle loan scheme, promoting the benefits of sustainable and active travel to businesses and their employees, working with fleet operators to make their journeys greener.....
- **Major Public Transport Improvements:** Tram-train, Bus Rapid Transit (North), Rotherham Station redevelopment.
- **Rotherham Voluntary Bus Partnership** – working with SYPTTE and Bus Operators

Role of transport in connecting deprived communities:

- The average distance to work for people on low incomes is 3 miles compared with 8 for the general population.
- Physically, economically and socially disadvantaged people often rely on walking and cycling, so improving non-motorised transport can help achieve social equity and economic opportunity goals.
- Improving walking, cycling and public transport links is crucial to enabling deprived communities to take up employment opportunities. Choice?

- Active travel saves people money, this is redirected back into the local economy; on average people travelling actively spend **more** money on the high street than those in cars.

Example of Waverley:

- The position of Waverley near to the Motorway network has been crucial in attracting businesses to the AMP.
- Robust Transport Assessment and mitigation measures are essential in maintaining the attractiveness of the site by controlling congestion.
- Requiring travel plans and sustainable transport infrastructure does not make development unattractive, in the case of Waverley it has added considerably to the attractiveness of the site to high-tech companies.
- The site has acted as a catalyst for new transport projects (BRT South, Handsworth Cycle Link, etc.)
- Developing a large area of housing near to job creating industrial development is complementary, some people will live near their place of work, but there is a two way flow of traffic at peak hour rather than only one way, making more efficient use of the network.

Rotherham's Transport Strategy will feed into the Growth Plan. There is a strong overlap between local priorities and SCR priorities. SCR Growth Plan will be the mechanism for bidding to the Growth Fund. A large proportion of this is for transport projects and priorities therefore it is important that SCR Plan represents Rotherham's priorities effectively.

Housing

The group had information presented to them about the Housing Investment function within the Council. It focuses on Council stock and regeneration activities. It has been recently re-structured to include 3 units – Strategy and Policy, Housing Investment and Housing Development. They include work around affordable housing with Housing Associations, work with speculative developers and section 106 agreements, fuel poverty/Green Deal, private sector housing work, housing regeneration schemes (legacy from Housing Market Renewal programme) and housing strategy (looking at public and private sector housing and the impact of Welfare Reform)

Housing is a key driver in the local economy and this is reflected in key policies. The SCR target for achieving 70,000 new jobs means that there is a need for aspirational housing stock for these workers. The alternative will be to potentially lose the best talent from the town or SCR. Doing nothing is therefore not an option.

In Rotherham £30m per annum is invested in the Council Housing stock via repairs and maintenance, fuel poverty but also via Yorbuild and procurement. More speedy procurement is required and need to become better at capturing skills and training

outcomes from this investment. The Planning target for new homes is very challenging and will require the pace to be increased considerably. New housing potentially presents competing challenges with regard to land supply. A new five year land supply and strategic Housing Market Assessment is required. A complementary approach is being developed with Sheffield. It will have a focus on geographical reference points for Rotherham e.g. A57 and Dinnington.

Work needs to be done on assets. Joint ventures could be explored for disposal of assets and they need to be presented to the market sensibly. Need to evaluate quick return now against longer term potential e.g. share of sales in the future.

Currently funding for housing projects has to come from internal resources or the Homes and Communities Agency. Could this be linked into other pots of money to increase the pot available? Housing growth zones could incentivise developers by relaxing planning, ensuring faster delivery and providing tax incentives. Rotherham needs to attract the resources for the key areas of development.

Housing is also an enabler for deprived communities. Need to develop existing areas as well as new communities, creating sustainability and better quality of life, reducing housing costs e.g. via fuel poverty initiatives. A good example is Canklow. Good housing solutions in deprived areas can have a very positive effect. The funding gap is key and needs to be plugged with investor confidence. There is a strong argument for mixed land use developments requiring a whole council approach.

Waverley approach could be applied to smaller areas for example Eastwood Trading Estate. Resources would be key to service the work required for a number of smaller projects. Off-setting of officer time would be key. Need to construct commercial and business cases for the investment in the longer term. Do we need to value land supplies more? Need to make sure we have the right commercial skills within the Council to adopt this approach.

Finance

Members of the review group received a presentation from Corporate Finance on the following issues. The detail of these discussions is summarised in section 1.3 of this report.

- Localisation of Business Rates – mechanism
- Effect on Council Funding
- Scope for Discretion in the New System and the Implications of Using that Discretion
- Other issues

3.2 Private Sector:

Barnsley and Rotherham Chamber of Commerce.

Members received an explanation of Chambers of Commerce. Barnsley and Rotherham Chamber have merged and there are some differences between the two. They have a healthy and constructive relationship with RMBC.

A merger took place in the 1990s but it only lasted 6 months. There is a more constructive relationship with Sheffield currently. They have more than 1200 member businesses of all shapes and sizes, including business start ups. Some of the biggest include AES Seal, Tata Steel, Firth Rixon, Newburgh Engineering etc.. They have a 15% penetration rate – there are approximately 8,000 vat registered businesses. Nationally these statistics compare favourably.

There are 54 Chambers across the country and all are independent businesses who pay to be part of the British Chambers of Commerce. South Yorkshire chambers work well together.

They have a staff team of 12 compared to 54, 7 years ago. They had to restructure and cut costs due to the decline in publicly funded contracts. They currently only have one left – the enterprise scheme for Job Centre Plus. They receive 60 referrals per month with a rough split of 50/50 across Rotherham and Barnsley. They have taken on part of the old Business Link role and their success rate is that 40% of businesses will set up that take part on their programme. About 2 thirds will still be in business after 2 years.

The Chamber is working more cleverly with RIDO colleagues due to the reduction in number of programmes available and signposting between services is key. The growth plan for Rotherham is key in ensuring that objectives and targets of partner organisations coincide. Individual staff in the Chamber have targets and there is a need for partners to focus more on hard outcomes.

They provide outreach sessions in Dinnington, Maltby, Dearne Valley and they hold these sessions in each others facilities. Need to bring sets of clients together so that there is collaboration not duplication.

The Economic Plan was aspirational but lacked hard targets – it wasn't challenged or held accountable. A more "business like" approach is required. Most businesses don't know what the partnership offer is but they have strong perceptions about working with the Council. We need to make it more business like, and deal with them in this fashion.

Enterprise development in schools is very important, engagement needs to be on their terms. The need to develop business skills within the Council was discussed.

How can we develop a culture of entrepreneurship? The referrals from enterprise programme suggest that it is a more enterprising culture than we might expect. But we need to pool resources and work collaboratively to generate this further. They pass new businesses on to RIDO at 6 months. Funding in the past has created some of the barriers e.g. on Job Centre Plus referrals can go on their programme. They have developed links such as getting college students to do the accounts for the new businesses. A flow chart for the route businesses would take and where help and support comes from would be beneficial.

Chamber provide support with business plans, marketing, accounts and web site design. Businesses were confused with all the organisations chasing different pots of money and doing things for the sake of drawing down the funds. We need to get back to doing what businesses want. RIDO is the focus for business development and expansions.

Council's role for supporting economic development can include its procurement function – spending public sector money in the local economy. Currently around 40% is spent locally and 20% within the sub region. There is a need to find ways to increase this to get the benefit of the multiplier effect. Need to remember Best Value isn't always the cheapest and reduce tendering bureaucracy. The council needs to support it and make it easy for local businesses. Member businesses have told him that all the form filling makes it too hard to get on the list.

Chamber can send small pieces of work to its member businesses e.g. Police Cells being painted – got a local company to do it outside of procurement processes. The processes work in favour of large organisations.

The Planning Department needs to start being more flexible and start saying yes often. The easy option is to say no – it is harder to find a way round the problem and say yes. He knows of businesses who have been put off by Planning. How prescriptive should we be in terms of the type of inward investment generated in the town? Are we stuck in out of date strategies that need to be more flexible? An event to start the dialogue with local businesses was suggested.

Tata Steel.

A key employer in Rotherham, crucial in terms of business rates contributions local employment. At least half of their 2,200 workers are from Rotherham. They have an ageing workforce and are encouraging staff to leave at age 60.

They have had positive interactions with the Council:

- RIDO and building networks
- Sector specific work (STEM)
- Planning Department are helpful
- Tactical engagement around business crime

Areas for further development:

- Need to look at infrastructure at a city region level
- More work on supply chain development – example of Wakefield project
- Different departments need to work more closely together
- Better links into schools – raising aspirations of local children.
- Regular engineering vacancies could be accessed more by local people with better links between schools and colleges – industry can be the vehicle for switching children onto learning. Promotion of good quality apprenticeships
- Planning around the LEP is disappointing – relationship with this and Combined Authority needs greater clarity.

- Greater clarity about the strategy and promote it better – “wear a bigger hat”
- Does Rotherham have the right balance of housing and a “lifestyle” to offer aspirational communities.
- Make it easy for businesses to locate here
- Mixed use developments can be problematic

Strata Developments

Positive interactions with the Council:

- Good schools in the Borough
- Have a history of building in Rotherham

Areas for further development:

- Resources and restructuring in the Council making it difficult
- Planning struggling to respond quickly enough
- Better links between departments
- Aspirational and high value housing is lacking
- Better marketing of the good areas
- More work at pre-planning stages with Councillors and communities
- Be as business friendly as possible

Ekosgen

This is a private consultancy contracted to conduct a review into Rotherham’s local economy and its potential within the Sheffield City Region. The work looked at the potential for future growth and how this can feed into both Rotherham’s and the SCR Growth Plans.

Current position and potential for future growth

1. Development of the Town Centre

Not yet developed to its full potential and there is a need to focus on putting the right things there:

- Short term – address the investment link between the markets and new Tesco

- Medium term – cinema and leisure offer
- Long term – University Campus? Focus on learning and teaching.

2. Where is the next Dearne Valley?

Role of the Local Authority is key – using capital funding to create an offer that stands out. Rotherham's location is excellent. Chesterfield and Markham Vale will access both funding and land supply and will challenge Rotherham in terms of location. Greenfield sites will be much more attractive than for example re-developed Eastwood.

Can the benefits of HS2 be captured as an economic driver?

Revolution 2 could be a good model (AMP) of the council stepping in instead of the private sector. The budget for regeneration is significantly limited though and Local Authority need to work more as enablers. LAs can borrow money very cheaply via prudential borrowing – is Rotherham brave enough to do it?

4. Key Findings

4.1 Role of RMBC – The Key Actor

Many witnesses talked about the rapid change that has taken place over recent years with regard to funding regimes nationally and internationally, and the range of business support products available. Also the agencies responsible for delivering these have changed rapidly and significantly. The one constant over these years has been the Local Authority and there is a need to recognise the importance of their role.

Currently the conditions for growth are right – the Council needs to be ready for this and to consider ways in which more of their available resources be targeted towards the growth agenda. If most of the resources are spent on welfare and supporting the vulnerable this will not be sustainable in the longer term and Rotherham will have missed an opportunity to invest in the future of the town's economy.

The Council already has a strong track record in developing Rotherham's local economy successfully. This record includes the regeneration to date in the Town Centre – the stadium, college campus, Tesco store, Riverside House etc. It has used its borrowing powers creatively to facilitate some of these developments. They are also continuing to work inventively with others partners around initiatives such as the Yorkshire International Business Convention, Visions of China and the Mary Portas initiative.

The findings of the review were that the Council now needs to build on this reputation and work even more creatively to further develop the local economy. It was also noted that its high credit rating and access to low cost finance is a key strength and driver for its enhanced role in generating economic growth. The Council should therefore consider its role in addressing the following issues:

- Land supply is crucial, both council owned land plus and their role in helping to develop other sites and properties.
- Role in working in networks and partnerships – with partners and private sector. The Private Sector witnesses clearly recognised this and are looking for high profile leadership from the Council. The Chamber and Council need to work smartly together to overcome resources issues.
- Changing culture by becoming more enterprising and aspirational – this needs to start in schools and the private sector witnesses felt that they had a key role also in this area of work. Witnesses also talked about a more business friendly approach within the Council, developing commercial skills within its workforce, and a culture that looks to say yes rather than no when working with businesses.

4.2 A new strategy

The Council and its partners' approach should have 2 key aims:

- Generate income via an increase in business rates and Council Tax
- Creations of jobs for local people and regeneration of deprived communities

A key element of the strategy is land supply – availability of land and sites. The needs to decide its role in terms of developing end use or whether it is disposing of land for development. Businesses generally prefer developed land.

Problem of availability of land – brownfield sites are expensive to develop and this can put developers off. Of the sites identified for employment land in the local plan only 12% are deliverable. The Council needs to know what its top 10 sites are.

Where is the next Dearne Valley?

The strategy should be a partnership document but recognise the key role the Council has to play in driving forward the economy. It should be target and outcome driven and feed into individual targets for services and employees.

The development of the AMP was recognised by many witnesses as a potential example of good practice. The Council could learn much from this, in terms of a multi-agency approach, and the benefits (as well as disadvantages) of a mixed use developments.

There was also considerable evidence provided about the importance of building in aspiration to the Rotherham economy, in terms of raising aspirations in schools, but also in terms of housing options, communities and lifestyles that would attract executive and high skilled workers. The recommendations from this review should address this and the group potentially identified a “southern belt” in Rotherham for this.

The review also considered the potential for Council to take an “employment agency approach” working in partnership with the Department of Work and Pensions. Manchester have piloted some of these approaches and Rotherham could learn from their experiences.

Area Based regeneration approaches have been discussed in detail during the evidence sessions and the role of the Council is key to engender this approach. The development of a one estate approach and, where appropriate, mixed use developments. The witnesses from differing functions within the Council, all spoke similarly about the opportunity to take a more radical approach to how the council's land supply, asset base and capital funding could be used to regenerate key sites in the Borough and create the right growth conditions, in partnership with the private sector. These need to be explored in more detail with the aim of maximising long term value for assets.

Finally a very strong theme coming from the evidence sessions was the need for a combined approach across the Council with a focus on growth. This might be referred to as a Multi-functional task force or a one stop shop approach. It should look at inward investment (property, workforce and money) then have bespoke input depending on needs of investor – e.g. transport would be a unique driver. This should deal with fragmentation around the Council services.

The review group clearly recognised the good practice that already exists and felt that the Council is uniquely placed to take this forward and build on it. It was also noted that the Planning service and RIDO are already well respected for their approach with local businesses, and also that the Local Plan is as important as the Growth Plan. The Council, via RIDO, has already done some work on access to the Regional Growth Fund and it was felt that it needs to do more of this.

4.3 Wider context

The Council needs to influence the Sheffield City Region, evidence suggests that communication around this is not good and they need a clear message, influenced by Rotherham's priorities, and to increase the number of local businesses taking up support.

The Council can create a business friendly offer – building on the successful brand of RIDO. A flow chart for where businesses go for what would be useful and there is a clear need for a communication plan of the strategy and what the Council and partners can do. Crucially the Council needs to take advantage of timing – the local plan is being consulted on, the upturn in the economy and the private sector keen to work with Council. Doing nothing is not an option.

Impact on Local People

Services such as transport, education and housing are key to getting the benefits of a growing economy to local people and communities. This is why the review group felt it was important that these functions are integrated into the “one council” approach to economic growth. There are also other, more peripheral but important functions that need to be part of the agenda for example Health partners.

It is key the partners tackle the 16+ skills agenda and a further piece of work on this needs to address the culture change mentioned by the witnesses and the development of proactive quality programmes such as apprenticeships.

Outlying town centres are key for some of the deprived communities of Rotherham and the review group wish to endorse a “town centres” approach which recognises the importance of these in addition to the focus on the main Rotherham Town Centre.

Partnership

The Strategy needs to be owned by partners with clear objectives and targets. A One council approach to growth and collaboration will need to be developed with key partners, for example the Chamber of Commerce.

Joint communication of strategy is crucial and a combined approach to the promotion of Rotherham. The group also recognised the importance of entering into dialogue with private sector about this.

5. Recommendations

The review group felt very strongly that there is some further, more detailed work to be done around this issue, and that in many respects the review merely scratched the surface with regard to some of the key issues. Having said that, they were keen to ensure that some early wins could be achieved with some recommendations that could be implemented fairly quickly. For this reason this section is divided into two areas of work; early implementation and longer term strategy.

5.1 Early Implementation:

1. The Regeneration Team within the Council should ensure that the emerging Growth Plan is focused around two key objectives – income generation and employment creation.
2. Targets and outcomes should be developed for this plan that are smart – suggestions include number of businesses accessing services and the number of young people accessing apprenticeships
3. The Regeneration Team should ensure that the growth plan is jointly owned by local partners
4. They should also ensure that it is communicated effectively to partners and stakeholders, as part of an ongoing campaign to “talk up” Rotherham and its achievements. These stakeholders should include the Sheffield City Region structures and the private sector.
5. The Council should identify its top ten development sites and focus on these in its policies and plans
6. The Council should consider prioritising all town centres and giving a policy mandate for this to happen.
7. The Council should consider how Elected Members could input to the development of Council Policy, particularly with regard to economic growth, by utilising the wide range of talent and expertise that exists within this pool. Elected members can further assist with the promotion of Rotherham.

5.2 Longer term strategy.

The review group gathered very compelling evidence regarding the need to develop a one council and multi disciplinary approach to supporting effective economic growth and to achieving the two objectives outlined in recommendation 1 above. It is therefore recommending a programme of further development work to be undertaken to establish this strategic approach. They are therefore making the following recommendations:

8. The Council should aim to establish a multi-disciplinary “Task Force” to ensure a one council approach to working with and supporting the private sector in Rotherham, to include a range of projects in terms of size and value. The process should be led by RIDO as a recognised brand within Rotherham.
9. The Task Force should include Planning, Asset Management, Housing, Transport, Education and potentially Health partners. These functions will be included on the basis of a unique drivers approach for each project. In line with recommendation 7 above specific councillors (with specific expertise) and ward members should be included in this approach. This model could be adapted for individual projects, with bespoke task groups set up for larger projects including provision for specific expertise to be co-opted. (diagram to be developed)
10. This Task Force should be responsible for ensuring that the strategy should identify land supply i.e. the next Dearne Valley and link into work on the Local Plan, and also the following issues:
 - Use of capital and borrowing to develop sites and premises
 - The approach to the development of this land – some sites for area based regeneration initiatives
11. The Council should consider how to develop a business friendly culture amongst all of its staff – skills development and training issues and also the possibility of setting growth targets for employees where appropriate.
12. The Scrutiny function in the Council should consider looking further at the following issues;
 - The development of aspirational housing and associated services/communities in Rotherham
 - Work with schools and training providers/colleges around the 16+ skills agenda to establish stronger links with employers and to engender an enterprising and aspirational culture.

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Improving Places Select Commission
2.	Date:	Wednesday 23 July 2014
3.	Title:	Scrutiny Work Programme 2014-15
4.	Directorate:	Resources All wards

5. Summary

The paper outlines the remit of the Commission and includes the proposed work programme for 2014-15.

6. Recommendations

That Members:

- a. **Note the Commission's terms of reference and the role of overview and scrutiny as outlined in paragraphs 7.1 and 7.2.**
- b. **Discuss the work programme as attached as Appendix A.**

7. Proposals and Details

7.1 Terms of reference

As outlined in the Council's Constitution, the remit of the Improving Places Select Commission is to carry out overview and scrutiny of issues as directed by the Overview and Scrutiny Management Board. These issues shall relate to:

Community cohesion and social inclusion and the Council's specific initiatives to promote them;
 Tourism, culture and leisure services and strategies
 Borough Wide Housing and Neighbourhood Strategies
 Economic development and regeneration strategies;
 Environment and sustainable development

7.2 Role of Overview and Scrutiny

The Council's Constitution Part II (8) outlines the role of Overview and Scrutiny. In summary its purpose is to:

- Challenge the Council's performance to raise standards and check if Council's services meet people's needs;
- Hold Cabinet Members to account by examining their decisions and proposals outlined In the Forward Plan of Key Decisions;
- Question members of the Cabinet and committees and chief officers about their views on issues and proposals affecting the Borough;

- Ask for information on matters of concern or interest referred to them from individual councillors, Area Assemblies or members of the public;
- Hold detailed investigations or reviews and make recommendations to the Cabinet or full Council on issues which affect the wellbeing of the Borough or community;
- Consider and scrutinise the work of outside bodies;
- Make proposals for new policies as a result of detailed investigations or examining how current policies work.

7.3 Work programme

All of the Select Commissions have agreed to adopt a key theme this year and for Improving Places this theme is Supporting the Local Economy. This is in the expectation that the outcome of the Scrutiny Review on this topic will lead to further work on specific issues and the fact that many of the infrastructure issues the commission addresses contribute either positively or otherwise to the development of the local economy.

Members are asked to consider this and the suggested draft work programme attached at Appendix A. OSMB will have already discussed this prior to the meeting and the outcome of these discussions will be fed in verbally.

8. Finance

There are no financial implications arising directly from this report. However, recommendations arising from the Commission may have financial implications should they be implemented.

9. Risks and Uncertainties

The development of a clear work programme maximises the potential for Scrutiny to have an impact and mitigates against the risk of using resources with little impact or outcome. It does, however, need to maintain flexibility to allow for uncertainties to be accommodated within the work programme. If additional items are added, the Commission will have to re-prioritise which issues it wishes to scrutinise.

10. Policy and Performance Agenda Implications

The proposed work programme takes on board key policy agendas the Council is currently considering and performance information as and where necessary. The areas identified for future scrutiny should complement the priorities identified in the Corporate Plan.

It is also important to note the changes that have occurred during the last year and the reduction in staffing resources. Any work programme needs to take account of this and look realistically at what can be achieved and where it is best to focus resources and efforts.

11. Background Papers and Consultation

12. Contact:

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Appendix A

Improving Places Select Commission:
Chair Cllr Read, Vice Chair Cllr Sims

Theme – Local Economy

Subject	Work category	Scope
Local Plan - Sites and Allocations Policy	Agenda items	Update
Asset Management	Agenda item	To include longer term strategy for roads repairs and maintenance
Housing repairs and maintenance	Agenda items	Dealing with voids Investment Forward Plan
Green Energy/Big Switch	Agenda item with potential for review	Dependent upon outcomes from initial report
Condensation in Council Housing	Full Review	
Selective Licensing	Agenda item	Outcome of public consultation and recommendations to Cabinet
Scrutiny Reviews: Grounds Maintenance Homelessness Supporting the Local Economy	Monitoring reports	Potential for further work to develop from Grounds Maintenance and Supporting the Local Economy. Impact of welfare reform on homelessness
Section 106	Monitoring report	
Combined Authority and Sheffield City Region	Agenda Item	To include information on City Region growth plan, investment funding and the LEP.
Transport – tram/train and electrification	Agenda Item	Impact of rail transport on the local and city region economy
Town Centre safety	Agenda Item	Follow up from issues highlighted by young people in the Borough
Parking enforcement	Agenda Item	Update on proposals consulted on last year