

## **IMPROVING PLACES SELECT COMMISSION**

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

**Date: Tuesday, 16th September, 2014**

**Time: 2.00 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 23rd July, 2014 (Pages 1 - 8)
8. Scrutiny Review - Supporting the Local Economy (Pages 9 - 36)
9. Council Housing - Rent Collection and Arrears Recovery Policy (Pages 37 - 60)
10. Grounds Maintenance - Scrutiny Review - Update (Pages 61 - 71)
11. Proposed response to the Government consultation on parking (Pages 72 - 77)
12. Date and time of the next meeting - Wednesday 15th October, 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**  
**23rd July, 2014**

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

Apologies for absence were received from The Mayor (Councillor Foden); Councillors Finnie and Roche and from co-opted member Miss P. Copnell.

**9. DECLARATIONS OF INTEREST**

Councillor Wallis declared a personal interest in Minute No. 13 (Private Rented Housing – Selective Licensing) as the owner-occupier of residential premises in one of the areas which was the subject of public consultation in respect of the proposed licensing scheme.

**10. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS**

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

**11. COMMUNICATIONS**

There were no items to report.

**12. MINUTES OF THE PREVIOUS MEETING HELD ON 18TH JUNE, 2014**

Resolved:- That the minutes of the previous meeting of the Improving Places Select Commission, held on 18th June, 2014, be approved as a correct record for signature by the Chairman.

**13. PRIVATE RENTED HOUSING - SELECTIVE LICENSING**

Further to Minute No. 53(2) of the meeting of the Improving Places Select Commission held on 26th March, 2014 and Minute No. 236 of the meeting of the Cabinet held on 9th April, 2014, consideration was given to a report presented by the Strategic Director of Neighbourhood and Adult Services, which provided details of the consultation feedback about the proposed selective licensing scheme for landlords of private rented housing and included recommendations based on the responses, comments and representations made. The report stated that approximately two-thirds of residents' responses had expressed their support for a mandatory selective licensing scheme, although local landlords expressed opinions against such regulation.

The scheme was under consideration because of the Council's wish to secure an effective and efficient way of dealing with the issues which occur with private rented sector housing. The proposals consulted upon were that Selective Licensing designations under the Housing Act 2004

should be introduced in three areas of the Borough:-

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

The report, which included options for the introduction of either a mandatory selective licensing scheme or a voluntary local scheme, is intended to be submitted for further consideration at the meeting of the Cabinet to be held on Wednesday, 24th September, 2014. Consideration was continuing as to which approach would be the preferred way forward to ensure the objectives of the proposal would be achieved.

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

- : the scrutiny review of housing in the private rented sector (2012);
- : the range of legislative powers available, which enable the Council to fulfil its responsibility to take action against irresponsible housing landlords (eg: HHSRS enforcement; management orders; compulsory purchase of property);
- : the Council's previous attempt to introduce a voluntary licensing scheme had not succeeded because of a low level of take-up by landlords and an over-reliance on the Borough Council to resource the scheme;
- : the key elements of a mandatory scheme (eg: areas of low housing demand and high turn-over of tenants and where there is a high incidence of anti-social behaviour linked to rented housing);
- : the various consultation meetings held, responses received and online communications received, about the proposed licensing scheme;
- : the consultation responses received from residents showed that a large majority of residents were in favour of a selective licensing scheme; by contrast, the responses showed that the vast majority of landlords were not in favour of such a scheme;
- : the Council's dialogue and engagement with residents, with landlords and with landlords' associations;
- : the Council's dialogue and engagement with managing/lettings agents (who act on behalf of landlords) and the responsibility of such agents for maintaining acceptable housing standards;
- : the legal requirement, embedded in central Government guidance, for the Council to consider any other course of action that might provide an effective method of achieving the objectives;

: details of the landlord-led voluntary quality landlord scheme (as described in the report); it was noted that this scheme was initiated by landlords' organisations and, if implemented, would be administered on a commercial basis by a third party and not by this Council;

: the number of responses received as part of the consultation process and the validity of the conclusions drawn from those responses;

: consideration of the proposed fee to be payable by licensed landlords; the business case for the scheme contains an estimated cost of £687 for a landlord, for a licence lasting five years; the fee would be for administrative purposes and not profit-making;

: the Council's enforcement resources for a mandatory scheme are likely to be two full-time equivalent enforcement officer posts (and there may be other costs incurred); on this basis, a recurring annual cost of £70,000 was being estimated; this cost should be compared against the current cost to the Council (and to other public sector services) of dealing with residents' complaints about the standards of private rented sector housing and with the consequences of the problems posed by irresponsible landlords;

: the analysis of the ethnic background of people who had responded to the consultation;

: the relative merits of introducing a licensing scheme in a selective, local area and of introducing a scheme which covers the whole Borough area;

: the possibility of the Council's eventual decision, to introduce either a mandatory or a voluntary licensing scheme, being the subject of a legal challenge;

: alternative means of ensuring that landlords will register with the licensing scheme to be introduced and will remain registered in the future;

: if a Borough-wide voluntary scheme was introduced by the landlords' organisations, the Council would require its performance to be monitored utilising a set of key measures including take-up in both the prioritised areas and throughout the Borough area; variance from those success indicators would result in further consideration of the possible introduction of a mandatory scheme;

: the licensing scheme will include education and training for landlords, as well as inspections of properties; such a scheme may prevent the spread of housing blight and also provide assistance in reducing the level of homelessness in the Borough, for example, by means of earlier identification of empty properties available for occupation;

: whether the information in the register of licensed landlords will be made

available for tenants and prospective tenants;

: questioning the impact of the licensing scheme upon housing rents (the possibility of a consequent increase in rents was acknowledged); questioning whether the licensing scheme would be necessary if landlords were required to utilise authorised lettings/management agents; the possibility of the scheme including discounted fees for landlords who utilise managing agents was discussed; currently, there was no registration scheme for lettings/management agents.

In conclusion, the Improving Places Select Commission acknowledged that the Council has a duty to try and resolve the issues affecting private rented sector housing in the areas highlighted in the report. Accordingly, the Select Commission both recognises the benefits of a mandatory licensing scheme and understands that currently there are reasons to consider the introduction of a voluntary local scheme.

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

(2) That, insofar as the Improving Places Select Commission is concerned, the introduction of a landlord-led voluntary quality landlord scheme is the preferred option.

(Councillor Wallis declared a personal interest in the above item, as the owner-occupier of residential premises in one of the areas which was the subject of public consultation in respect of the proposed licensing scheme)

#### **14. HOUSING REPAIRS AND MAINTENANCE - UPDATE**

Further to Minute No. 35 of the meeting of the Improving Places Select Commission held on 27th November, 2013, consideration was given to a report presented by the Contract and Service Development Manager, describing the progress of the repairs and maintenance service provided for this Council's Housing Stock during the last twelve months. The report stated that the service is provided by the Willmott Dixon Partnership and by Morrison Facility Services.

Members noted that, because of continuing satisfactory performance, the contracts with both companies will be extended until 31<sup>st</sup> March, 2018. Contained within the report were details of:-

- : shared financial savings and value for money
- : customer volunteer inspections and mystery shopper exercises
- : legacy projects (eg: building new accommodation, in the Rockingham area, specifically for people with a disability);
- : key performance indicators and performance management
- : learning from complaints
- : responsive repairs
- : void (empty) properties (the 'turn-around time' of these properties for

- re-letting); ensuring that the number of void properties is less than 1% of the entire stock of Council housing
- : void properties – problems of neglected gardens and outhouses
- : trial of the use of “master keys” to increase the security of properties and also to assist in reducing the ‘turn-around time’ of void properties
- : gas and cyclical works
- : gas responsive repairs
- : planned and capital works
- : aids and adaptations
- : the contractors’ corporate and social responsibility.

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

- : back-to-back lettings (introduced in January 2014) and the incidence of properties being let to new tenants, even though all repairs have not been completed; it was noted that the standard checks and repairs are always undertaken in these cases (eg: electrical safety checks);
- : action taken against departing tenants, who have caused damage to properties; repairs will be identified during inspections undertaken at the time of termination of the tenancy and the cost of repairs may be recharged to the departing tenant;
- : ensuring that the condition of the gardens of void properties does not suffer because of neglect;
- : customer satisfaction and its impact upon key performance levels and targets;
- : aids and adaptations, undertaken at Council properties, provided for tenants who have a disability; the impact of central Government policy was acknowledged.

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

(2) That a further report be submitted to a future meeting of the Improving Places Select Commission concerning the planned and capital works to this Council’s stock of housing.

## **15. ENERGY SUPPLY - COLLECTIVE SWITCHING SCHEME (THE BIG SWITCH)**

Consideration was given to a report, presented by the Corporate Environmental Manager, stating that 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 of the feasibility of implementing a Rotherham collective switching scheme had been carried out by this Council's Corporate Environmental Team during February, 2014. The assessment had examined various schemes; reviewed costs, benefits and potential funding; resource implications; risks; uncertainties and feasibility. Details of the assessment were included within the report.

The Select Commission discussed the following salient issues:-

: switching schemes operated by other local authorities (eg: the scheme operated by Kirklees MDC (Huddersfield) was cited as a successful scheme); however, the uptake was low (8.7% at Kirklees) and there was no known data of actual reductions or increased tariff after the first year;

: all of the Councils assessed used a third party, ichooser, to administer the switching schemes;

: the scheme could have a negative impact on households suffering fuel poverty and on vulnerable people in the Rotherham Borough area and checks, support, resources and long-term actions would be required to prevent such impact.

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

(2) That, because of the resource implications compared with the risk and the small percentage of householders that may benefit, the implementation of a 'Bigswitch' style scheme is not supported.

(3) That this Select Commission considers that officers should focus resources on these issues:-

(a) continuing to work with tenants to reduce energy consumption;

(b) Housing and Neighbourhoods Services should assess the feasibility of Neighbourhood Wardens working with residents to secure the best utility prices through price comparison sites; and

(c) the Corporate Environmental Team shall continue to monitor the energy markets in case the situation changes.

## **16. SCRUTINY REVIEW - SUPPORTING THE LOCAL ECONOMY**

Further to Minute No. 20 of the meeting of the Improving Places Select Commission held on 4th September, 2013, consideration was given to a report presented by the Scrutiny Manager concerning the progress of the scrutiny review of the support for Rotherham's local economy. This review was being undertaken for several reasons, including: the changes to Local Government Finance (in particular, the business rates); the need to generate employment and training opportunities for local residents; and



the need to secure private sector investment in the local economy.

An initial draft of the scrutiny review report, including recommendations, was also considered.

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

(2) That the final version of the report of the scrutiny review of supporting the local economy be submitted to the next meeting of the Improving Places Select Commission, to be held on Wednesday, 3rd September, 2014.

**17. IMPROVING PLACES SELECT COMMISSION - SCRUTINY WORK PROGRAMME 2014/15**

Further to Minute No. 54 of the meeting of the Improving Places Select Commission held on 26<sup>th</sup> March, 2014, consideration was given to a report, presented by the Scrutiny Manager, concerning this Select Commission's scrutiny work programme. The Council's Constitution required this Select Commission to carry out the overview and scrutiny of issues relating 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.

The report provided details of future agenda items and potential themes for consideration during 2014/2015.

Members were invited to send their individual comments to Scrutiny Manager. It was also suggested that information should be reported to meetings of this Select Commission on these issues:-

: the coalition Government Department for Transport open consultation about the future of the Northern and TransPennine Express rail franchises – concern had been expressed about the level of public subsidy for these rail services;

: the management of allotment sites and the availability of land for such sites.

Members noted the allocation of staff resources for detailed scrutiny reviews of certain specific topics.

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

(2) That the scrutiny work programme, as now submitted, be approved.

**18. REPRESENTATION ON OTHER BODIES 2014/2015**

Resolved:- That, further to Minute No. 8(2) of the meeting of the Improving Places Select Commission held on 18th June, 2014, the following appointments of representatives from the Improving Places Select Commission to the groups listed below, be approved for the 2014/2015 Municipal Year:-

Recycling Group - Councillor Gosling

Environment and Climate Change Steering Group - Councillor Wallis

Housing Assessment Panel – Councillor Sims.

**ROTHERHAM BOROUGH COUNCIL - REPORT TO MEMBERS**

<b>1. Meeting:</b>	<b>Improving Places Select Commission</b>
<b>2. Date:</b>	<b>Wednesday 3<sup>rd</sup> September 2014</b>
<b>3. Title:</b>	<b>Scrutiny review on supporting the local economy</b>
<b>4. Directorate:</b>	Resources

**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 the final draft for consideration by the Improving Places Select Commission

**6. Recommendations****That Select Commission Members:**

- Discuss and agree the draft recommendations
- Refer the report to Overview and Scrutiny Management Board on the 19<sup>th</sup> September 2014

## **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.

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.

The outcomes of both reviews should be considered as a suite of recommendations with the aim of maximizing the impact of both private and public sector investment in the Rotherham economy.

## **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,

Legal and Democratic Services

[Deborah.fellowes@rotherham.gov.uk](mailto:Deborah.fellowes@rotherham.gov.uk) Tel: 22769

□  
**Scrutiny review: Supporting the Local  
Economy**

Review of the Improving Places Select  
Commission

*November 2013 – May 2014*

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## **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 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.

**Early Implementation:**

1. The Economic Development 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, the number of young people accessing apprenticeships, the number of new entrants to post compulsory education and the number of over 16s gaining accredited qualifications.
3. The Economic Development 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, in the first instance, its top ten development sites and focus on these in its policies and plans. Within this the identification and delivery of a strategically important site should be the number 1 priority for Rotherham to remain competitive.
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.

**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” with the key purpose of providing a co-ordinated holistic approach to generating investment and economic growth in Rotherham, for the benefit of its local businesses, communities and residents. The focus should be on working both internally, and in partnership with the private sector in Rotherham, to include a range of projects in terms of size and value.



The external business support 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 its staff – skills development and training issues and also the possibility of setting growth targets for employees where appropriate. A key element of this would be to raise awareness within the Council of the changes to business rates and the importance of them in terms of generating income for the Council.
  
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.

## 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
- Mark Broxholme, Tata Steel
- Mick Hood, 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.

### 3 Background

#### 3.1 Rotherham's Local Economy.

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. Rotherham is also cited in the Sheffield City Region (SCR) Strategic Economic Plan as being the 'best' during the last growth cycle for private sector job growth.

Despite this positive picture however, 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.

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 and the Enterprise Zone, plus European and UK regeneration funding. 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; sectors which are vulnerable to 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 SCR strategic economic plan will have less money attached to it than was expected and the biggest pot of funding within that is transport funding.

Rotherham still has some way to go to catch up with the levels of investment taking place elsewhere in the sub region. Sheffield, Doncaster and Barnsley were able to start earlier than Rotherham with the previous Urban Renaissance investment programmes administered by Yorkshire Forward and whilst Rotherham's Urban Renaissance program started to catch up prior to the demise of both Yorkshire Forward and the investment funding, the other authorities are already moving forward with their next phases of investment, for example recent announcements by Sheffield and Barnsley of investments of £5m in Castle Markets and £40m in the town centre, respectively.

What are the main strengths and challenges for Rotherham?

Strengths:

- Schools are good up to age 16 (GCSE level).
- Rotherham Ready is a positive young enterprise project
- Good track record in regeneration and private sector growth
- Future potential regeneration with next economic growth cycle

## Challenges:

- 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.
- Need for more robust monitoring and evaluation of regeneration initiatives. Critical Success Factors 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. Perhaps also, given the problems with adult skills, number of new entrants to post compulsory education / number of over 16s gaining accredited qualifications.

## 3.2 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 to 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? – target is 70,000 net new jobs, it is really for Rotherham to demonstrate what proportion of these they can deliver
- 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.

### **3.3 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 Business Rates top up grant received by Rotherham applies for 7 years and is fixed plus RPI. (£21.78m in 2013/14)
- Local councils can influence the income levels they receive from business rates (currently approximately £34m per annum)
- The funding 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 generated by 21 business properties, which includes RMBC for Riverside House.
- 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, as well as creative and digital industries, environmental , energy and low carbon industries which are priorities in the Local Plan and for the SCR.
- £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.

Members of the review group also wished to express concern that not all economic growth prospects are entirely positive. The current debate around "Fracking" for example illustrates this and full consultation and evaluation around the benefits and weaknesses of this as a future industry still needs to take place.

### **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 the council disposing of them, as per the current Cabinet directive, it should hold on to them, accepting the additional revenue pressures, for 3 or 4 years for the right time in the economic cycle. Many parts of the Town Centre have improved over the past five years and the public realm provides an attractive location for the day time and evening economy. Due to the economic downturn the Town Centre has not yet developed to its full potential and there is a need to focus on putting the right things there:

- Short term – The new Tesco will hopefully serve as an attraction for shoppers to Rotherham Town Centre, although the remaining challenge may be in getting them to utilise rest of town centre and to address the investment link with the markets
- Medium term – cinema and leisure offer. The Council's option for purchase of Forge Island for leisure development such as a cinema/theatre should be a considered as a priority as it would enliven the night time economy and help draw in other private sector investment
- Long term – University Campus - which would strengthen the Rotherham's learning and teaching offer, and begin to embed a culture of lifelong learning.

### **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 at 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. This is especially significant given the transition from traditional labour intensive industries, to "knowledge based" occupations, which place greater emphasis on "soft" skills. There is therefore a need to create and embed a culture of lifelong learning within Rotherham. 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.

## **4. Evidence**

### **4.1 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 should consider being more strategic with respect to assets.

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 long term underfunding of condition maintenance activities, with preference given to more visible service activities. The current spend moratorium has worsened the position– as this is not deemed 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-revolution, with RIDO, and on the back of this they will be able to develop a standard cost benefit analysis.

To date there has been a division between departments within the Council who all have their own growth plans – housing, economic development etc. There is a need for a clear lead for growth; and construction and growth plans should be co-terminus. Consideration should be given to the establishment of a Rotherham Economic Task Force in order address fragmentation, and smooth partnership working.

### **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. A fourth area of work focuses on 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 having access to 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, and the development of an entrepreneurial culture. 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 longer automatically be re-invested, although the centres continue to be successful with high occupancy rates. The review group therefore considered that it is important to further explore how the Council and private sector partners can assist in bringing forward suitable small units; providing business support over and above that currently being provided.

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, where there was some delay whilst grant claw back issues were addressed. 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, linked to the education function .

A potential example of good practice is Re-volution, although this initiative needs a robust evaluation. 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 a 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 so the quest for profit has the potential to be manifest in 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 are crucial to enabling individuals living in the deprived communities to take up employment opportunities.
- 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. It was also noted that an increase in housing would generate additional Council Tax income (a sustainable income source) and allow the Council to access New Homes Bonus funding.

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 strategically. There is therefore a need to evaluate the scope for quick returns against longer term potential e.g. share of sales in the future. Alternatively, the Council could create a growth fund from excess capital disposal receipts to fund growth projects in a mixed economy of development.

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. There is a need to develop existing areas as well as new communities, thus creating sustainable neighbourhoods offering a better quality of life and lower 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.

The 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. There is a 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

### 4.2 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.

The role of the partners in developing a culture of entrepreneurship was discussed. 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.

The 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.

The 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. It is also important 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 fed back to the Chamber that all the form filling makes it too hard to get on the list.

The Chamber can access small pieces of work for its member businesses e.g. Police Cells being painted when they 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. It is felt that too 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.**

They are 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 a package that encourages 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.

Evidence was provided on Rotherham’s current position and potential for future growth and focused around the following issues:



1. Development of the Town Centre – see section 2.3 Town Centre
2. Where is the next Dearne Valley? – see section 4.6

## **High Speed 2**

Can the benefits of HS2 be captured as an economic driver? A HS2 Station at Meadowhall would make Rotherham much more accessible to London, Birmingham, Leeds and Manchester. What needs to be done to ensure Rotherham fully benefits from HS2 in terms of new investment and jobs.

## **Enabling Investment**

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 Authorities need to work more as enablers. Developers are still unwilling or unable to fund development unless it has an immediate return. LAs can borrow money very cheaply via prudential borrowing – what are the important investments which Rotherham needs to bring forward and is Rotherham brave enough to borrow to invest?

## **5. Key Findings**

### **5.1 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 and capitalise upon the significance of this 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 can 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 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:

- The strategic management of land supply is crucial, both in terms of council owned land and the role the council plays in helping to develop other sites and properties.
- Developing the role the council plays within 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.
- Encouraging cultural change within Rotherham – especially the development of more enterprising and aspirational attitudes. Such changes would need to start in schools, with private sector witnesses suggesting that they could play a key role in this area of work.
- Adopting a more business friendly approach within the Council by developing commercial skills within the workforce, and a culture that looks to say yes rather than no when working with businesses.

### **5.2 A new strategy**

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

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

A key element of the strategy is land supply – availability of land and sites. The Council 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.

Availability of land is a continuing challenge – 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 Local Authority could potentially use capital funding to create an offer that stands out. Rotherham's location is excellent. The location of such a site is crucial (requiring excellent transport connections and access to an appropriate workforce) and needs some safeguarding to prevent it being developed for distribution warehousing etc.. 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.

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, as a sole developer or, 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 need for bespoke support for investors/growing firms has already been highlighted in the Growth Plan.

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.

### **5.3 Wider context**

The Council needs to increase its influence within the Sheffield City Region. Evidence suggests that a clear message is needed that reflects Rotherham’s priorities; that communication of that message needs to improve and that the council needs 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 the private sector about this.

## **6. Recommendations**

The review group felt very strongly that there is some further, more detailed work to be done around the issue of how RMBC can support and develop the local economy, and that in many respects this review merely scratched the surface with regard to some of the key concerns. Having said that, the review group was 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.

### **6.1 Early Implementation:**

13. The Economic Development Team within the Council should ensure that the emerging Growth Plan is focused around two key objectives – income generation and employment creation.
14. Targets and outcomes should be developed for this plan that are smart – suggestions include number of businesses accessing services, the number of young people accessing apprenticeships, the number of new entrants to post compulsory education and the number of over 16s gaining accredited qualifications.
15. The Economic Development Team should ensure that the growth plan is jointly owned by local partners
16. 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.

17. The Council should identify, in the first instance, its top ten development sites and focus on these in its policies and plans. Within this the identification and delivery of a strategically important site should be the number 1 priority for Rotherham to remain competitive.
18. The Council should consider prioritising all town centres and giving a policy mandate for this to happen.
19. 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.

## **6.2 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:

20. The Council should aim to establish a multi-disciplinary “Task Force” with the key purpose of providing a co-ordinated holistic approach to generating investment and economic growth in Rotherham, for the benefit of its local businesses, communities and residents. The focus should be on working both internally, and in partnership with the private sector in Rotherham, to include a range of projects in terms of size and value. The external business support process should be led by RIDO as a recognised brand within Rotherham.
21. 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)
22. 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
23. The Council should consider how to develop a business friendly culture amongst all its staff – skills development and training issues and also the possibility of setting growth targets for employees where appropriate. A key element of this would be to raise awareness within the Council of the changes to business rates and the importance of them in terms of generating income for the Council.

24. 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.

## **7. Thanks**

Thanks go to Paul Woodcock and Simeon Leach from Environment and Development Services, who provided support to the review. Thanks are also due to the witnesses who contributed their time to the review and provided valuable written and verbal evidence. They are:

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

**ROTHERHAM MBC – REPORT TO MEMBERS**

<b>1. Meeting:</b>	<b>Improving Places Select Commission</b>
<b>2. Date:</b>	<b>Wednesday 3 September 2014</b>
<b>3. Title:</b>	<b>Rent Collection and Arrears Recovery Policy</b>
<b>4. Programme Area:</b>	<b>Housing and Neighbourhoods Service</b>

**5. Summary**

This report outlines the proposed Rent Collection and Arrears Recovery Policy and associated processes which have been refreshed given the challenges faced to maximise income recovery to the Housing Revenue account (HRA) given the ongoing Welfare Reform agenda. The report provides information about the service challenges brought about by the implementation of welfare reform and proposes in light of the current and ongoing changes the new rents collection policy and processes required.

**6. Recommendations**

That the Improving Places Select Commission:

6.1 Note contents of the report.

6.2 Provide comments on the proposed Rent Collection and Arrears Recovery Policy.

## **7. Proposal and details**

### **7.1 Introduction**

7.1.1 The government's ongoing Welfare Reform agenda including the introduction of under occupancy criteria is having a direct impact on the number of active arrears cases being managed by the Housing Income Team. The number of tenants affected has remained relatively stable since April 2013 at around 3,300 tenants, of which approximately 2,500 are in arrears. During the first twelve months of welfare changes there has been limited intervention in these cases by the Income team due to the low level of arrears that exist. However if unaddressed over time, this will become a significant issue for both tenants and the councils finances.

7.1.2 The report outlines the revised policy and procedure for the recovery of unpaid rent to recover an increase in collectable income as a result of the Welfare Reforms.

### **7.2 Background**

7.2.1 The Housing Income Service has a proven track record in terms of the level of rent it recovers. This is supported by continuous improvement in its rent collection rates and upper & middle quartile performance nationally in a number of key performance indicators associated with rent recovery. For the first time in several years performance dipped slightly in 2013-14 following the introduction of the Under Occupancy Supplement but the service still maintained upper & middle quartile performance when compared nationally.

7.2.2 Over the years the service has sought to achieve an objective balance between enforcement action and its preventative techniques, which saw the number of evictions halve from 110 in 2007 to 55 in 2012/13. The change in approach has been brought about by working more closely with tenants from the onset of the tenancy and forging strong links with other stakeholders such as Housing Benefits, debt support agencies and Credit Unions to ensure customers get the best possible advice and assistance. It is fair to say since the onset of welfare reforms we have seen the reducing trend reverse with a total of 107 evictions in 2013-14 and 35 evictions to the end of June in 2014-15.

7.2.3 The environment in which we operate is changing as a direct result of the Welfare Reforms. One element of the reforms currently affecting Council tenants in Rotherham is the under occupancy charge. 3,349 Council tenants in Rotherham now have some rent to pay as a result of having a spare bedroom and of these 2,145 (64%) have fallen into arrears. The new charges have increased rent arrears by over £390,000 (as at end June 2014). As a result of the charge 200 tenants now have sufficient arrears where legal proceeding will commence because the value of arrears are now sufficient to pass the Department of Justice Pre-action Protocol Proportionality tests (i.e. £500+, this has recently increased from £250+ due to an increase in court costs, if we had remained at £250+ the total number of cases would be 489).

### **7.3 Recovery Processes**

7.3.1 The recovery process starts on the third week of non-clearance when a first reminder letter is sent to the tenant outlining what's owing. This letter is only triggered when the balance exceeds £30 to ensure the process is cost effective and



equitable. A second reminder is sent on the fourth week of arrears when balances exceed £45. If the debt remains outstanding and no contact has been made we will visit the tenant to establish their personal circumstance. At this stage we will make an arrangement with the tenant to clear the balance by instalments. If balances remain outstanding after 5 weeks and/or the agreement is breached we will consider serving a Notice of Intention to Seek Possession which is the first step prior to litigation. All cases must meet the requirements of the Court pre-action protocol which determines we must make personal contact with the tenant prior to the case being entered into County Court. Entry into Court does not guarantee an outright possession order; common outcomes are payment orders and adjournments. Before considering litigation we take the view that commencing action below a threshold of £300 is disproportionate to the debt hence why very few tenants affected by Under Occupancy Charge have been submitted prior to the current year. A summary of the arrears Rent Collection and Arrears Recovery processes can be viewed at Appendix 2.

#### **7.4 Proposed changes to the Rent Collection & Arrears Recovery Policy**

7.4.1 Some organisations have proposed ‘no eviction policies’ in response to the changes brought about by Welfare Reforms. For example both Brighton and Edinburgh Councils have said they will not evict a tenant if the individual’s circumstance were “solely due to the under-occupancy penalty”. They estimate the average loss in rental income per property per year will be in the region £600. They argue that with the average cost of eviction being £6000 and the authority having to incur temporary homelessness charges, costs to the public purse could be in the region of £6 to £10k per eviction.

7.4.2 There are, however some serious risks associated around the fairness of protecting a single group of tenants from eviction, which could carry the risk of legal challenge. For these reasons it is felt inappropriate to adopt this tactic as it sends out mixed messages to tenants that it’s ok to not pay your rent if your difficulties result from the under occupancy charge, whereas other tenants with debts for other reasons will still be subject to existing recovery processes. Such an approach would inevitably see the tenants’ debt rise over time to unmanageable levels.

7.4.3 The favoured approach therefore is the introduction of a mixed range of initiatives targeted to support tenants in financial hardship caused by welfare reforms. The key changes within the policy are detailed below and should be read in conjunction with the Rent Collection and Arrears Recovery Policy at Appendix 1 and Rent Collection Procedures at Appendix 2. These include:

##### **Payment of one week’s rent up front**

It is a condition of the Tenancy Agreement that one week’s rent is paid up front. To date it is fair to say that this has never been actively implemented, with rent being paid following the tenant being signed up and moving into the property. In future it is proposed that all new tenants have to pay their first week’s rent up front at time of sign up as per the tenancy agreement even where they may be eligible for Housing Benefit. This will ensure new tenants understand it is their responsibility to pay rent given the future proposals for Housing Benefit to be paid direct to the tenant through Universal Credit.

##### **Advocacy and Support**

Prospective tenants and tenants affected by welfare reform will be able to access 5 key areas of advocacy. The newly created posts of Tenancy Support Officer, Money Advice Officers, Employment Solutions Officer and CYPS Support Workers will enable tenants to access areas of specialist advice via self-referral or by the Housing Options or Income staff as part of the revised recovery process. Agreement has already been reached with CYPS to provide alerts at the proposed court action stage and similar agreements are being worked on with the other agencies. Under the new process recovery action will be suspended pending review by CYPS; this will ensure tenants have income maximisation and budgetary skills to enable them to prioritise their debts.

In addition to the above support, all Income officers within the team now ensure no court action will be taken against a tenant unless Housing Benefit and DHP applications have been submitted where they are eligible. This is seen as key to reducing arrears for those tenants having debts over £250 as more often than not many are eligible for Housing benefit payments but due to chaotic lifestyles they have not been completed. The challenge with this approach is getting the tenant to engage to provide support in completing the applications to assist in clearing arrears.

### **Tenancy Agreement DVD**

The existing Tenancy Agreement DVD is being updated to promote sustainable tenancies and to encourage prospective tenants to “think it through” more before they take on a tenancy. The DVD is split into chapters to include steps the customers must consider before they become a tenant eg have some savings to buy furniture and other essential items, and will also cover the responsibilities of becoming a tenant which include paying their rent. The DVD’s will also be used at the Young Persons Moving on Panel and will be distributed to support providers.

### **Risk Assessments**

The Housing Options team will now advise the Housing Income team of all new tenants they deem to be at potentially high risk of not paying their rent given income levels and/ or lifestyle choices. For all such referrals the Housing Income Officer will contact the tenant to confirm they are paying the correct rent, check Housing Benefit eligibility, support applications for DHP and offer an appointment with tenancy support, Money Advice or Employment Solutions.

### **Peer Case Review**

Cases deemed to be a high risk, for instance involving the potential eviction of young children or people with mental health issues will be subject to a peer review to ensure all necessary support actions have been undertaken prior to any court action being taken.

### **Change the rent arrears policy for new lettings (from 30 September 2014)**

Revisions to the Allocations Policy are due to come into effect on 30 September 2014 which are intended to help promote more sustainable lettings and place more emphasis on customers to pay/ reduce any housing debts already owed. This will include affordability checks with a right to refuse prospective tenants who are

unable to demonstrate that they can afford to pay the weekly rent. As part of this process tenants will be subject to credit check to ensure all debts (with the exception of any through unregulated money lenders) have been declared as part of the affordability assessment.

The revised Allocations Policy will also require prospective tenants with arrears from a previous tenancy (including Housing Associations) to pay back a minimum of 25% prior to being accepted onto the housing register where the debt exceeds £800. If the debt is less than £800 they will be placed on the register but suspended until 25% of the debt has been repaid.

Further joint-working is underway with the Housing Options team to improve the focus on income collection both before and during new tenancy sign-up, ensuring tenants deemed to be at a high risk of falling into arrears are highlighted to the Income Team immediately after sign up. In addition the Housing Options team actively encourage new tenants to sign up to Direct Debit payment.

### **Right to Reviews**

The Housing Assessment Panel or the Evictions Review Panel would consider the critical cases under the Right to Review of None Qualification due to debt to the Council or Housing Associations.

### **Targeting of arrears balances below £250**

Work is ongoing to target all arrears balances below £250 through telephone calls between hours of 5pm and 7pm and whenever there is down time within the Contact centre. At this level of arrears it is still manageable for tenants to agree low value repayment plans to repay the debt over a 12 month timeframe. Once arrears exceed this value it is often inevitable that the debt will take several years to repay or result in eviction and consequently in the majority of cases the debt not being recovered.

### **Tenants with arrears balances over £1000**

We have started to gather a greater understanding of tenants with arrears balances over £1000 as this group of tenants contributes the most towards current arrears. From this work we have identified the majority of tenants are aged 25 to 45, single and not claiming Housing Benefit. Of the 435 cases in arrears over £1000+, 67% are not claiming Housing benefit and £736,000 of the arrears within the £1000+ category of attributable to single tenants (total balance of arrears for accounts more than £1000+ is £834,000)

As a result a targeted campaign for promoting the take up of Housing Benefit is being implemented for this group of tenants to try and increase take up and tackle ongoing increase in arrears. Alongside this if it is evident the tenant will not be eligible for Housing Benefit we will attempt further negotiation on repayment of the debt and ongoing rent via Direct debit, as if no eligibility for Housing Benefit they will most likely be in paid employment.

In addition to the changes in approach to how we tackle arrears we have also introduced a number of projects to assist tenants to increase income, become more independent or reduce rent charges. These initiatives include:

**Funding for Age UK Rotherham**

The HRA has provided £30,000 of funding to Age UK Rotherham who are delivering a project targeting over 65's to assess if tenants are eligible for Attendance Allowance and providing support in the application process. This provides tenants with a potential important source of additional income to pay for care needs and general day to day living expenses, including their Rent, District Heating and Rothercare charges.

**Homeswapper**

This allows tenants to register for down sizing. This is especially important for those families affected by under occupancy supplement or generally struggling to make rent payments. The table below provides details on number of tenants that have down sized since 1 April 2013 to present.

	Number
Number of people registered for down sizing	341
Number of people registered for down sizing that were affected by the under occupancy supplement	243 (71% of total registered)
Number of people successfully down sized	113 (33% of total registered)
Number of people successfully down sized that were in financial difficulty	94 (27% of total registered)

**Families For Change Project**

Intensive support is provided where we offer additional support with budgeting, job search and sourcing alternate accommodation to reduce weekly rent payable where tenants are no longer able to afford rent due to the benefit cap.

**Laser Credit**

Where we have tenants struggling with arrears and through completing income and expenditure assessments we identify high cost debt from companies such as Provident and Brighthouse, we will sign post the tenant to Laser Credit Union to arrange a lower cost loan to repay the debt or purchase white goods etc. This approach will free up additional monies for the tenant to put towards payment of rent.

**DHP Top Up**

We have made a £60,000 contribution to top up the Discretionary Housing Payment budget from HRA funds in 2013-14 to assist tenants affected by welfare reform and

the challenging economic climate. We are currently reviewing with Revenue & Benefits if further top up funding is required in 2014-15.

## 8.0 Finance

8.1 Since 2012-13 total income to collect has increased by £9.23mm due to rent increases. Total income due during 2014-15 is £82.55m.

At the same time we have seen an increase in tenant arrears from £4.47m in 2012-13 to £5.31m in 2013-14, an increase of £840k within year, of which approximately £340,000 is attributable to the under occupancy supplement. The remaining balance of approximately £500k is due to tenants being generally unable to honour their rent due to ongoing budget pressures given the wider economic environment.

As at 30 June 2014 cumulative rent arrears for current tenants was £2,067,734. Since 1 April 2014 there has been an increase in current tenant arrears of £329,629.

We are currently forecasting all rent arrears (current and former tenants) for 2014-15 to be approximately £980k by 31 March 2015. This would be an increase of £140,000 against all rent arrears of £840,000 for 2013-14.

There are currently over 10,000 tenancies with some form of arrears, which depending on the time of month can peak at over 14,000. There are 5,500 tenants subject to ongoing arrears proceedings and 2,444 owe greater than £250.

The profile of current tenant arrears is detailed in the table below:

Arrears £	Total Value £	Number of tenancies
00.01 to 99.99	183,343	3,802
100 – 249.99	639,730	2,953
250 – 499.99	521,848	1,226
500 – 999.99	645,568	783
1000+	852,141	435
	2,842,630*	9,199

\*figure differs from arrears quoted for 30 June 2014 as this is an in month snap shot

## 9.0 Risks and Uncertainties

9.1 Legislative changes presents considerable risks to the HRA's projected income as housing benefit is gradually phased out. Under current proposals all tenants soon will be expected to make payments to their own rent accounts ultimately increasing the pressures on the housing income team to income collection and arrears recovery processes.

9.2 If the Council fails to review and adapt its recovery processes to meet the challenges posed by changes in legislation it runs the risk of:

- ✓ Increasing poverty

- ✓ Widening the gap between the most and least deprived areas
- ✓ Failing to collect rental income
- ✓ Drop in performance on certain indicators including income collection and void repair costs / re-let times
- ✓ Increasing homelessness due to evictions
- ✓ Increasing personal debt as some tenants may resort to high interest and illegal lenders, possibly leading to increasing crime levels
- ✓ Increasing costs to the NHS as a result of stress and anxiety which can be caused by debt and threat of eviction and homelessness

The Rent Collection Policy sets out one element of the strategy to mitigate the impact of Welfare Reform on our tenants and ultimately the long term viability of the HRA 30 Year Business Plan. Greater emphasis has also been placed on providing support to tenants that are willing to work with the Council to access individual financial assessments, advocacy and support.

## **10. Policy Performance and agenda implications**

Previous Cabinet and DLT reports have highlighted the impact the Welfare Reforms will have on service. The reports have brought in additional resources to tackle issues such as increased indebtedness amongst tenants and provision for advice and support services. These combined with the Rent Collection and Arrears Recovery Process will clearly help tenants sustain their tenancies and mitigate the impact on HRA 30 Year Business Plan.

## **11. Background papers and consultation**

- RMBC's Rent Arrears and Collection processes
- RMBC's Housing Allocation Policy
- Localism Act 2011
- Homelessness Code of Guidance
- Welfare Reform

## **12. Contact details**

Paul Elliott, Business and Commercial Programme Manager, Ext. 22494  
Dave Richmond, Director of Housing and Neighbourhood Services, Ext. 23402

# Rent Collection and Arrears Recovery Policy

Version : 1	Issue date : May 2014
Author : Business and Commercial Programme Manager	Date approved: June 2014
Review due : May 2015	Date planned for review : May 2015

### **Strategy/Policy Control Statement**

1	Document Title	Rent Collection and Arrears Recovery Policy
2	Date of Document	May 2014
3	Service Lead	Business and Commercial Programme Manager
4	Author	Business and Commercial Programme Manager
5	Date approved and by who	
6	Date last reviewed	N/A
7	Amendment record	N/A
8	Next review date	April 2015
9	Staff Consultation	May 2015
10	Other Services Consultation	May 2015
11	Customer Consultation	N/A
12	Equality Impact Assessment: insert priority as agreed with E/D team, insert start date, completion date and published date. Insert date copy of EIA sent to E/D team.	To be completed
13	Confirm that document meets current legislative requirements	Yes
14	Confirm that VFM implications have been assessed-links to VFM template	To be completed
15	Sign off of statement by Author and Service Lead: name and date	Paul Elliott, Business and Commercial Programme Manager 28.05.14



## Introduction

The purpose of this policy is to explain how RMBC will collect rent and other charges from its tenants and the approach it adopts to recovering rent arrears.

RMBC takes rent arrears very seriously and we expect all tenants to pay the rent that is due each week. This is an important condition of the Tenancy Agreement. It is the responsibility of each tenant to ensure that their rent is paid in full.

However, we recognise that occasionally tenants may have genuine financial difficulties and are unable to pay the rent due. In these cases our service aim is to adopt a firm but fair approach to arrears recovery offering all tenants, where possible, clear, practical repayment plans appropriate to their means.

## Policy Statement

RMBC aims to collect rent and other charges due promptly from tenants in order to sustain tenancies and protect the provision of services. The key aims are therefore to maximise income collection and minimise bad debts. In cases where rent arrears do accrue, these are kept to a minimum and effectively reduced through a fair, responsive and, where necessary, firm approach.

## Strategic Objectives

The Key Strategic Objectives of the policy and procedure can be summarised as follows:

- *Collect rent promptly from tenants to sustain tenancies*
- *Maximise Income Collection*
- *Minimise Bad Debts*

## Key Aims of Policy and Procedure

The prime objective of the Rent Collection and Arrears Recovery Policy is to sustain tenancies by taking early intervention to prevent arrears accruing in the first place and by pro-actively encouraging tenants to clear any debts that do occur. With this in mind, the aims are:

- To ensure that tenants are only allocated properties that they can afford.
- To ensure that all existing and new tenants are aware of their responsibility to pay the rent and, where appropriate, any other charges.

- To inform tenants promptly of any changes to rent charges.
- To inform all tenants of the different payment methods available to them.
- To maximise Housing Benefit take-up by raising awareness of entitlement and assisting with the completion of application forms where appropriate.
- To ensure that all those tenants entitled to Housing Benefit are aware that it is their responsibility to provide necessary documentation in relation to their claim, to follow-up claims with the Housing Benefit team and to advise them immediately should their financial circumstances change.
- To establish close and effective liaison with Housing Benefit, advising them of any known changes in circumstances, in exceptional circumstances requesting payments on account where claims have been delayed and ensuring the prompt payment of Housing Benefit.
- To provide or sign-post advice and assistance on welfare benefits to maximise tenant income.
- To promote financial inclusion by providing budgeting advice and signposting to other agencies or departments such as Citizen's Advice Bureau, Money Advice and Employment Solutions.
- To ensure that all communications are clear, customer friendly and encourage contact.
- To act promptly by providing personal contact and to offer advice to a tenant who falls into arrears, establishing the real reason for non-payment.
- To work closely with any advice agency or authorised person acting on behalf of the tenant.
- To undertake financial assessment of a tenants' circumstances, and ability to pay, with a view to making realistic arrangements to pay off arrears.
- To identify where tenants owe RMBC more than one debt and ensure that recovery action and / or repayment arrangements takes account of the total amount owed.
- To advise tenants of the next course of action and the ultimate consequences of non-payment throughout the recovery process.

- To take legal action against tenants who persistently fail to pay rent and other charges.
- To treat all tenants fairly and consistently and to act lawfully.
- To maximise the use of IT systems to monitor and record rent payments.
- To train colleagues to ensure they maximise the use of resources, such as IT and benefits advice.
- To provide colleagues with guidance on relevant legislation and recovery methods available to recover unpaid rent, service charges and recharges.
- To have a rent arrears recovery procedure that is clear, easy to follow and complies with all of the above, ensuring all arrears cases are actioned in a consistent and fair manner.
- The rent arrears recovery process will be regularly reviewed and updated to incorporate areas of best practice, in particular with reference to the characteristics of an excellent service provider

## Legal Context

RMBC will at all times meet legislative and regulatory requirements, including but not limited to, the Homes and Communities Agency Regulatory Code and Guidance, the Ministry of Justice Pre-Action Protocol, the Housing Act 2004 and the Data Protection Act 1998.

## Implementation

### General

We will prevent arrears by providing services in ways that work best for the customer. We will be easy to contact and will give customers information and support that helps them understand and deal with rent issues. Support shall include signposting customers to other agencies that may be able to assist. We will charge and collect rent in a fair way, giving customers good advice on keeping rent up to date. We will encourage good starts by ensuring tenants understand how to manage their tenancy through paying rent and setting up utilities. We encourage tenancy end well by explaining the obligations for ending a tenancy.

We will pick up on current arrears early on, providing extra help and advice to people where they need it. When customers fall behind with their rent, we will

contact them and make a fair arrangement to repay in a reasonable time (We will advise a tenant by letter on the first Monday their rent account is 3 net weeks in arrears and provide extra help and support if required). We will be honest with customers in arrears on where they stand and what options they have. We will assist tenants to prevent court action.

Even if recovery action becomes necessary, we will continue to give good advice on payments that will prevent attendance at court and eviction. We will work with other services that can help and support customers with a variety of needs that affect ability to pay rent. We will work with services that represent tenants in court with current arrears. We shall work to ensure that as few tenants as possible face eviction due to current arrears.

### **Rent Statements**

We will provide detailed rent statements every quarter where tenants have opted to receive them. If a tenant has a credit or debit balance of £250 or more a statement will also be issued. Statements or balances are also available on request. At the start of the tenancy and each April thereafter we will issue tenants with a Rent Card to allow them to track payment history.

### **Interviews**

Interviews will be conducted both over the phone and face to face depending on the circumstances of that case.

All interviews will be conducted assertively yet maintaining a sensitive and non-threatening manner with due consideration to privacy and confidentiality.

The first rent interview will take place at a pre-arranged appointment. If we experience difficulties making contact with the tenant the interview will be undertaken without prior appointment being made, upon contact the tenant will be made aware that a rent interview is to take place. If it is not convenient for the tenant to discuss the rent account details an alternative appointment will be agreed and documented.

Failure by the tenant to agree to or keep a subsequent appointment will result in triggering the next stage of the rent arrears recovery procedures unless there is good cause not to do so.

Where an interview is to be conducted at the tenant's home, colleagues will always produce their identity cards and explain the purpose of the visit. All interviews will be documented and the key points confirmed in writing.

### **New Tenants**

All properties will be let through a two stage lettings process, with tenants attending a meeting at one of RMBC's offices in addition to viewing the property. The office meeting will be conducted by a Housing Advice Officer

who will discuss the tenant's responsibility to pay rent and the consequences of non-payment and conduct an income and expenditure assessment where appropriate and undertake housing benefit verification / claims assistance work as necessary.

The first week's rent will be taken in advance at sign-up irrespective of whether eligible for Housing Benefit or not. In exceptional circumstances the Housing Advice Officer may consider a payment of less than one full

The Housing Advice Officer will:

- Provide information about the different payment methods available, promoting the take-up of direct debits;
- Encourage tenants to authorise the direct payment of Housing Benefit where applicable.
- Advise tenants to contact the Housing Income team promptly should their financial circumstances change or they are having difficulty paying their rent.
- Offer an appointment with the Tenancy Support, Money Advice or Employment Solution Officers where appropriate.
- Signpost the tenant to agencies providing independent debt management advice and income maximisation services where appropriate, including Age UK for tenants over 60 and potentially eligible for Attendance Allowance.

Follow-up contact will be made for tenants deemed to be at a high risk of not paying sufficient rent upon moving into a RMBC property. This will:

- Confirm that they are paying the correct rent due
- Check Housing Benefit has been or is likely to be received where appropriate
- Support tenants in making an application for Discretionary Housing Payment
- Advise of the consequences of not paying i.e. eviction from their home
- Offer an appointment with the Tenancy Support, Money Advice or Employment Solution Officers where appropriate.

## Payment

Rents are due weekly over a 48-week (or 49-week) collection year. An account will be considered to be in arrears if a payment has not been received within the week in which it is due.

Payments can be made by one of the following methods:

- Payment at any Post Office<sup>TM</sup> with cash, cheque or debit card;
- Payment by cash, credit or debit card at any store displaying the Pay Point logo;
- Payment by telephone via debit or credit card at any time - the service is available 24 hours a day, 7 days a week;
- Payment by telephone via debit or credit card between 8.45am and 8pm (weekdays) at RMBC Contact Centre;
- Payment over the internet via debit or credit card at any time – the service is available 24 hours a day, 7 days a week at [www.rmbc.gov.uk](http://www.rmbc.gov.uk);
- From a bank/building society by direct debit or standing order;
- By direct transfer from a bank/ building society account using internet banking
- By authorising direct payment of Housing Benefit to RMBC;
- By cheque, sent through the post to Income Services at Riverside House offices.

Every opportunity will be taken to promote direct debits as a preferred method of payment. Any tenant in arrears will be asked to make a payment during any contact with the Housing Income Officer.

## Action for non-payment

The procedure for rent arrears recovery gives full details of the action that RMBC will take and outline's relevant timescales, for each stage. The procedure is founded on the need for personal contact with the tenant throughout the process and is designed to help the tenant to repay the rent arrears and wherever possible avoid possession proceedings. For tenants who are persistently in arrears or for those that are unwilling to pay their rent due, RMBC promptly escalate the arrears recovery process to an advance stage of the procedure to minimise the potential bad debt. Whilst RMBC would not wish to take action that results in the eviction of tenants, it will do so, as a last resort, if other attempts to recover arrears are unsuccessful.

In all arrears cases we will follow the guidance on good practice as reflected in the Pre-action protocol for possession claims based on rent arrears.

## Vulnerability

RMBC has many tenants who are elderly, tenants who are vulnerable through mental or physical disabilities and tenants who have young dependent children.

In such instances Housing Income will as appropriate:

Contact the Homelessness Prevention team prior to any court proceedings.

Inform the designated officer within Children & Young Peoples Service at the earliest opportunity where eviction appears inevitable.

Refer tenants to Age UK for assistance in applying for Attendance Allowance

In implementing this policy RMBC will ensure that any tenants who have mobility problems due to disability or stress, or who need information in other formats and languages, or who may need interpreters or signers, or who have difficulty with reading are provided with assistance as deemed reasonable by the officer managing the case.

RMBC will ensure that equality and diversity considerations are integral to the rent arrears recovery process.

### **RMBC: Housing Benefit**

Housing Income will work closely with RMBC's Housing Benefit Section to ensure prompt payment of benefit. The Housing Income team will arrange for quarterly liaison meetings with the Housing Benefits team in respect of the day to day administration of Housing Benefit payments.

### **Department of Work and Pensions (DWP)**

The Housing Income team will liaise with the DWP about direct payment of rent arrears from income support where appropriate.

### **Joint Tenancies**

All joint tenants are jointly and severally liable for rent arrears that may accrue.

RMBC will:

- Address all letters to all the tenants named in the tenancy agreement
- Make arrangements and hold interviews with any tenant who appears to be acting on behalf of all parties in the tenancy agreement
- Provide a copy of all legal documents to all parties named in the tenancy agreement

### **Sole Tenancies**

In households with single tenancy agreements and where the householders are married, cohabiting for tax or benefit purposes, or have joint custody over children under 16 we will always encourage the tenant to keep other

interested parties within the household informed of any legal action in connection with rent arrears; interested parties do not include lodgers and those who sublet.

### **Garage Tenancies**

In order to protect the principal tenancy and therefore to avoid possible eviction, a garage tenancy will be terminated in situations where the tenant is in arrears on the main tenancy and the agreed repayment plan has not been adhered to. The tenant will be free to apply for another garage once arrears have been cleared and the account remains clear for a period of 6 months.

### **Former Tenant Arrears**

RMBC will ensure that tenants are made aware of their obligations even after termination of their tenancy. Where a tenant is in arrears and they terminate the tenancy no extension to the tenancy will be given. Upon notice of termination, the tenant will be made aware of any rental balance due and a forwarding address will be requested. Where the outgoing tenant is not in a position to clear any balance prior to termination, an affordable and realistic repayment agreement will be reached. This agreement will be confirmed in writing and the tenant will be made fully aware of the methods of payment after termination.

RMBC will pursue all recoverable former tenant arrears. Where no forwarding address is given, every effort will be made to trace the former tenants' whereabouts using Experian. A collection agency will also be used if appropriate.

Failure to agree to or maintain an acceptable repayment arrangement will result in further recovery action. The appropriateness of such action will be considered on a case by case basis and may include

- Money judgement
- Attachment of earnings
- Third Party Debt Order
- Warrant of Execution
- Order to Obtain Information
- Bankruptcy
- Selling on Debts

RMBC will only normally house an applicant where there is an outstanding debt owing if a payment arrangement has been agreed and maintained by the applicant as per section 2.4 of the Allocations Policy.

Where it makes no financial sense to pursue a debt it will be written off in accordance with RMBC standing orders.



## **MONITORING AND RESPONSIBILITIES**

It is the responsibility of the Director of Housing and Neighbourhoods to ensure that implementation of the Rent Collection and Arrears Recovery policy is monitored.

The Business and Commercial Programme Manager is responsible for delivering the policy and will be accountable for its implementation and colleague training.

All colleagues dealing with rent collection and arrears recovery issues has the responsibility to read, understand and implement this policy.

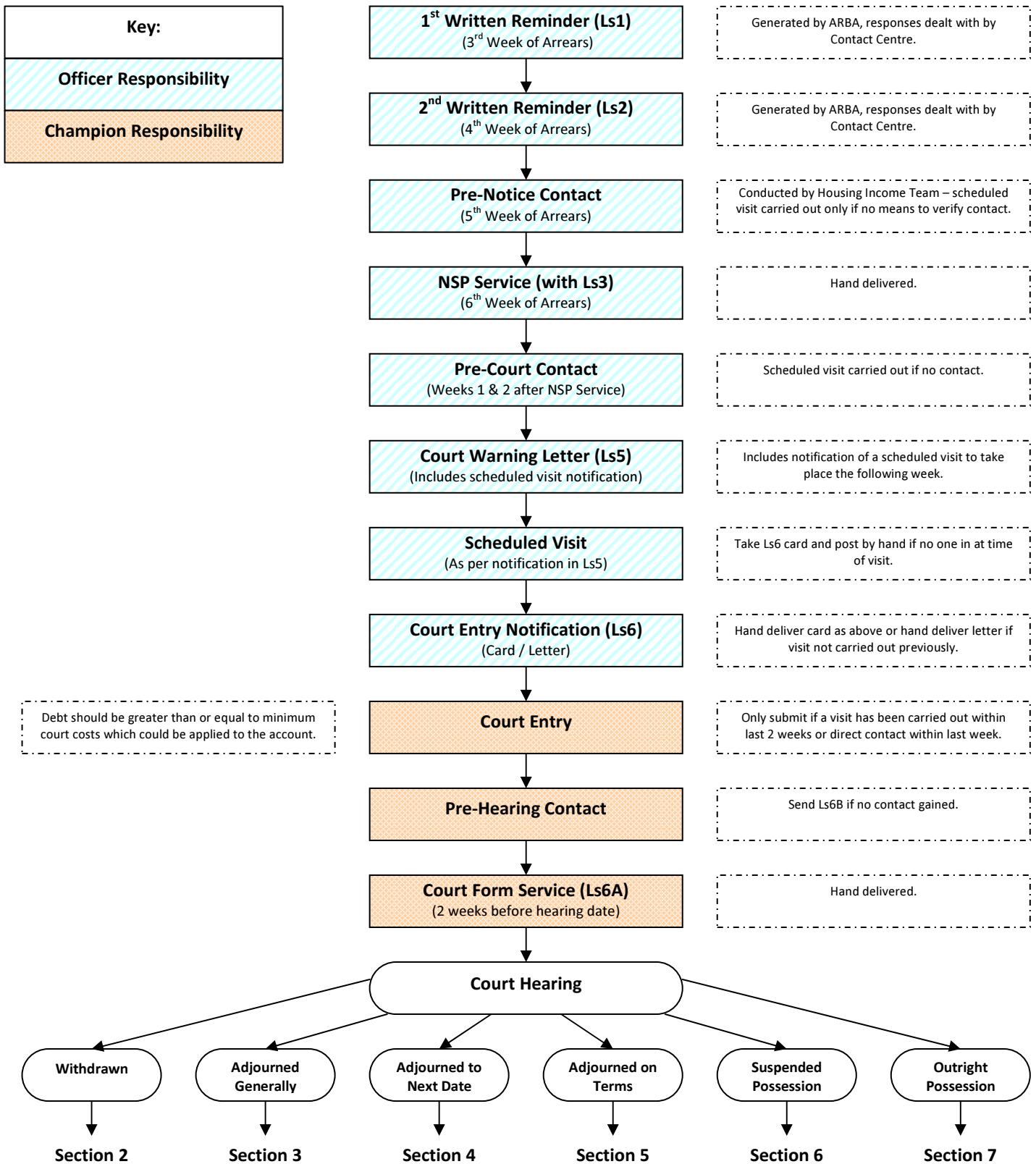
## **ASSOCIATED DOCUMENTS**

Rent Collection & Arrears Recovery Procedures  
Allocations Policy & Procedures  
Customer Complaints Policy & Procedure  
Customer Care Standards  
HCA Regulatory Framework  
Ministry of Justice Pre-Action Protocol

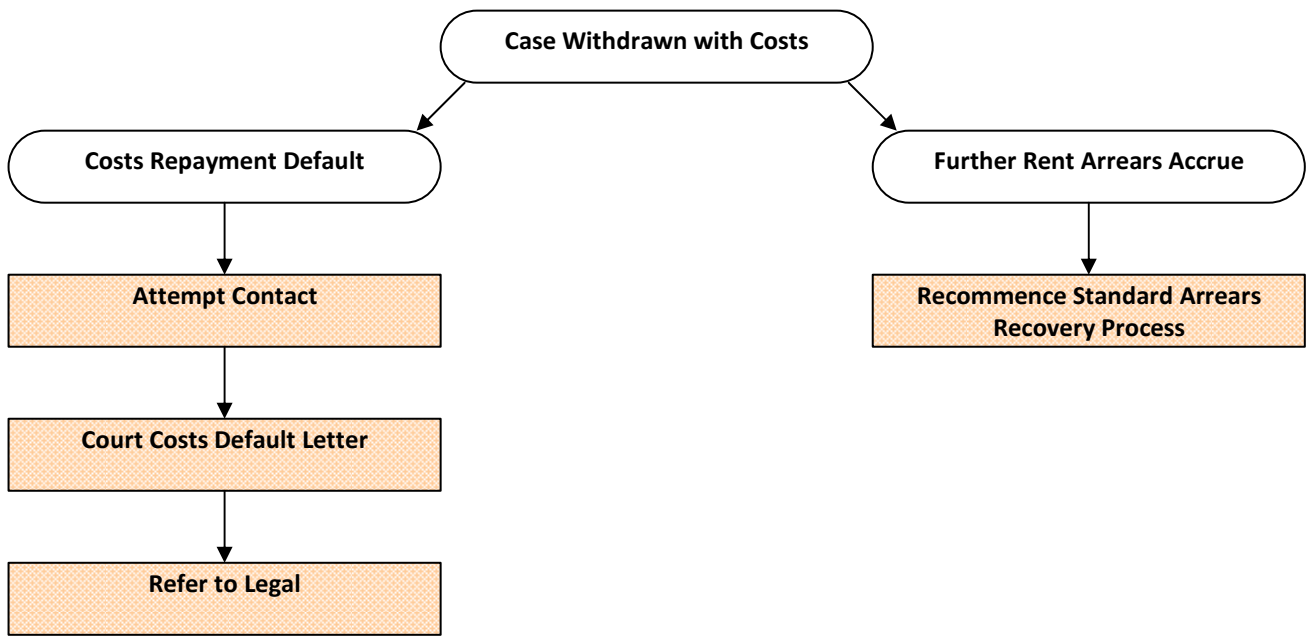
**Arrears Process Flowchart – Secure Tenancies**

The standard minimum procedural steps relating to the secure tenancy arrears process are outlined below.

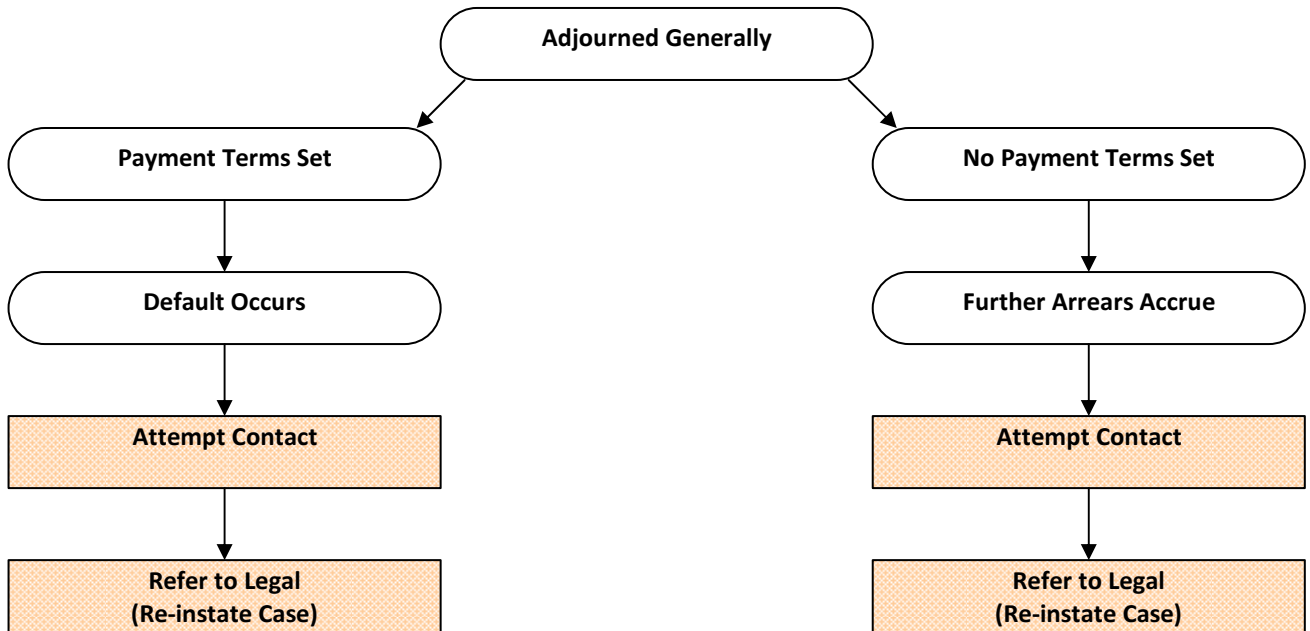
**Section 1: Initial Arrears to Court Entry**



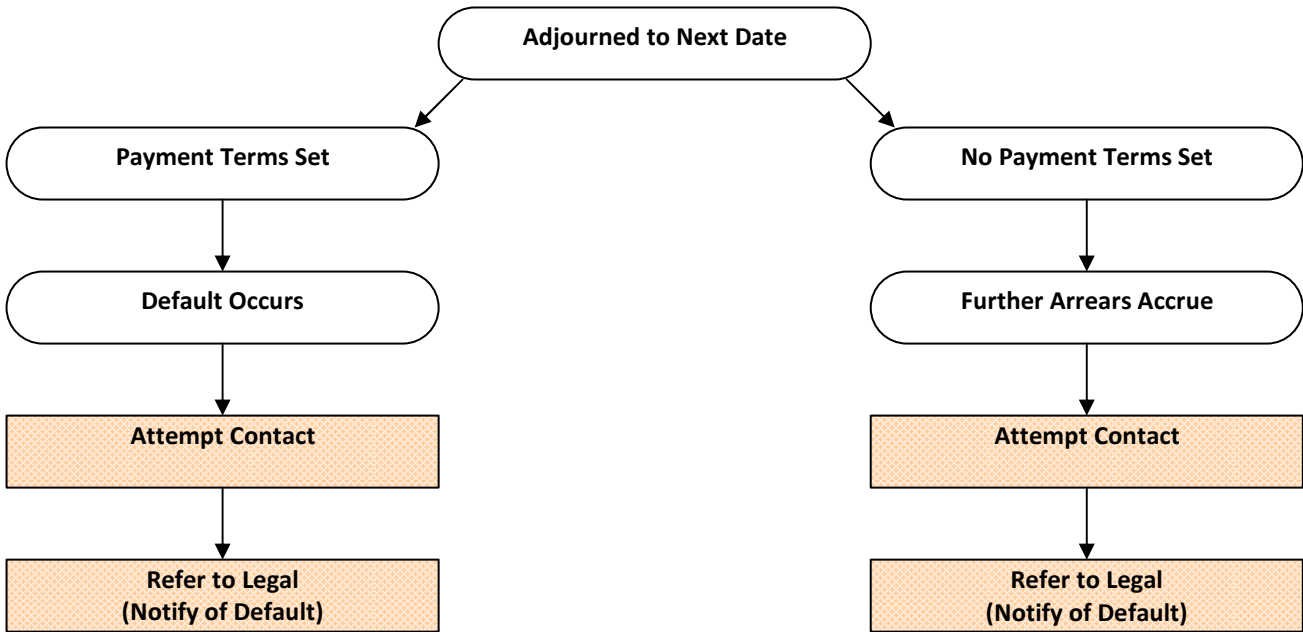
Section 2: Case Withdrawn (with Order for Costs)



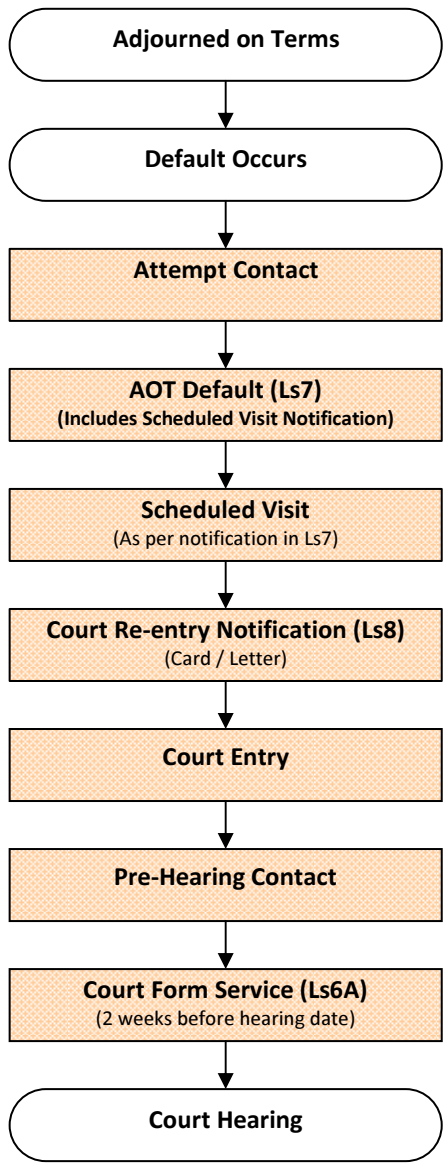
Section 3: Case Adjourned Generally



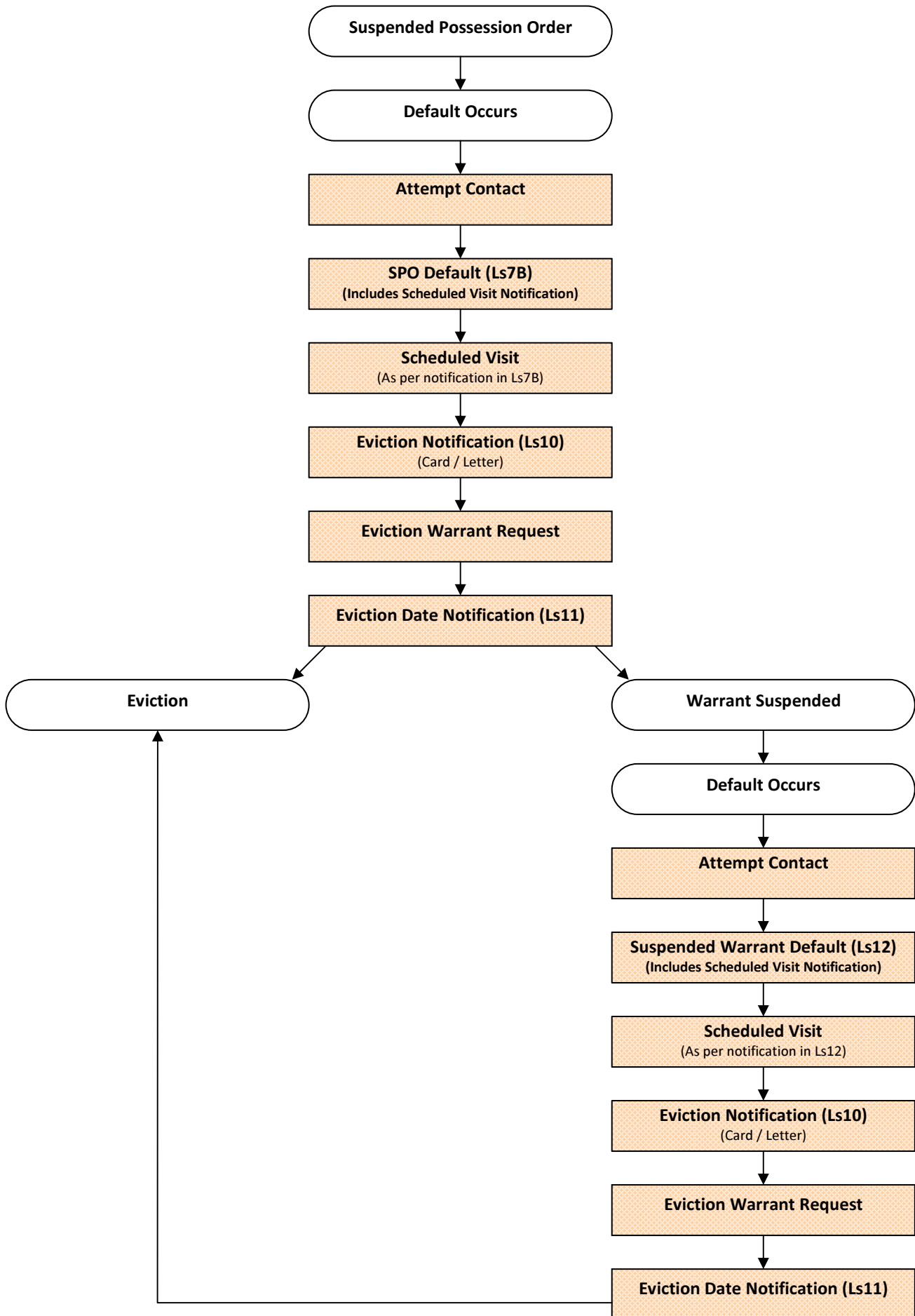
Section 4: Case Adjourned to Next Available Date



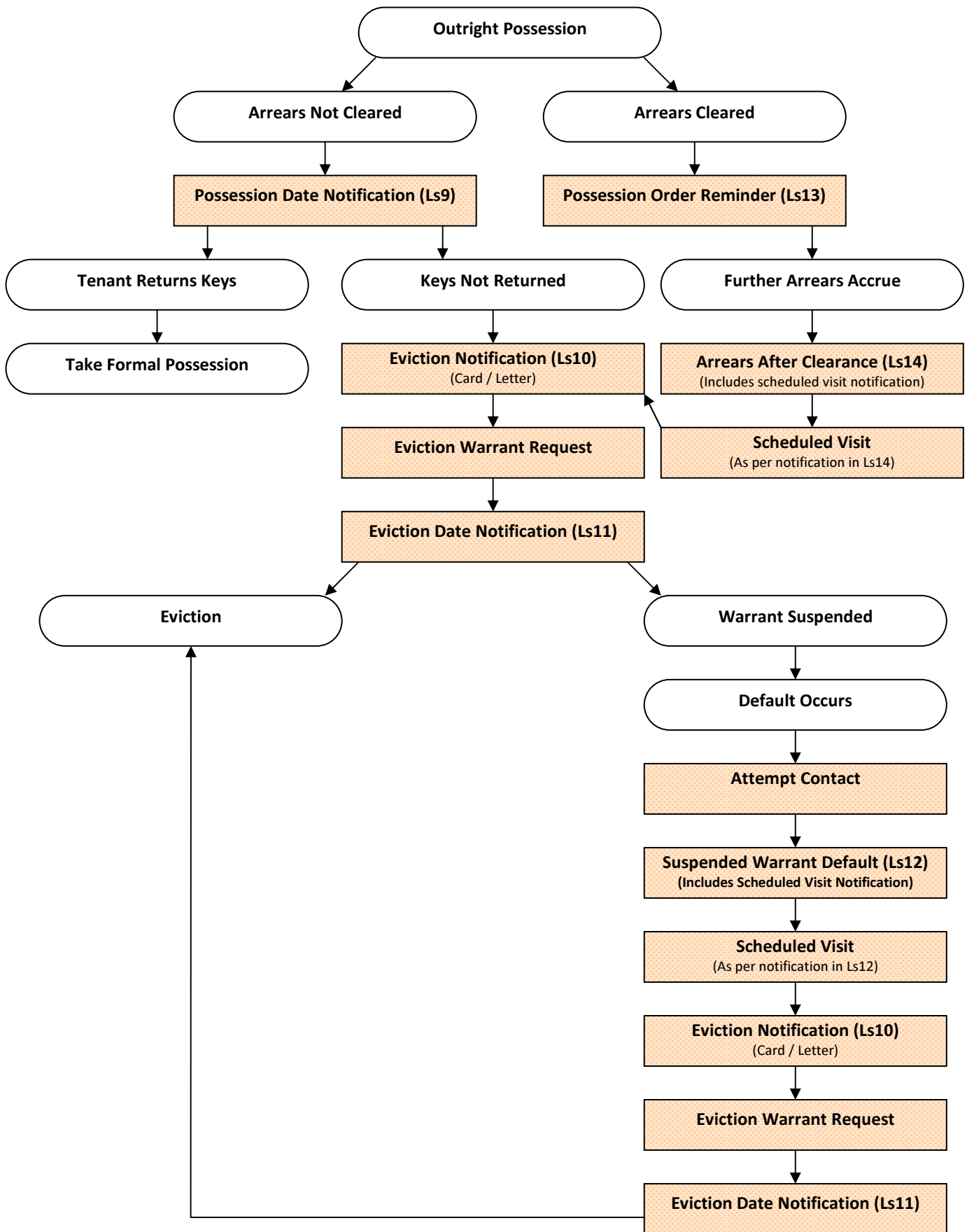
Section 5: Case Adjourned on Terms



Section 6: Suspended Possession Order Granted



Section 7: Outright Possession Order Granted



**ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS**

<b>1.</b>	<b>Meeting:</b>	<b>Improving Places select Commission</b>
<b>2.</b>	<b>Date:</b>	<b>Wednesday 3<sup>rd</sup> September 2014</b>
<b>3.</b>	<b>Title:</b>	<b>Grounds Maintenance</b>
<b>4.</b>	<b>Directorate:</b>	<b>Environment and Development Services</b>

**5. Summary**

The report provides an update to members on progress against the (Grounds Maintenance) Action Plan from October 2012, discusses problems encountered in the 2014 grass-cutting season and the measures taken to mitigate them.

**6. Recommendations**

It is recommended that the report is noted.

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## 7. Proposals and Details

An action plan for Grounds Maintenance was developed in late 2012 following Scrutiny and Operational reviews of the service and reported to **Improving Places Select Commission** at its meeting on 27<sup>th</sup> March 2013; a copy of the plan is attached with updated comments.

**Grass-cutting** - The Grounds Maintenance service has sustained reductions in resources over successive years and the baseline service for grass-cutting has changed as follows:

Year	Frequency	No. of cuts/season
2010/11	2 weekly	15
2011/12	3 weekly	10
2012/13	3 weekly (April – June), then 5 weekly	8
2013/14	5 weekly	5

Since 2011/12, the Grounds Maintenance budget has reduced by about 50%; the number of staff employed during the grass-cutting season has reduced from 104 in 2011/12 to 71 in 2014/15; the number of ride-on mowers deployed fell from 18 to 13 over the same period.

Ride-on mowers are provided under a contract which has almost 2 years to run. In 2011 all of the ride-ons were cylinder mowers, which produce the best quality of cut **when the grass is short**; when the grass is long (as in this year) the cut is very poor. This year we have moved to a mix of machinery as follows:

**2 Flail mowers** – capable of cutting long grass leaving short cuttings

**5 Rotary mowers** – capable of cutting long grass, but leave a lot of long cuttings

**6 Cylinder mowers** – best quality on short grass, but poor on long grass

The 2014 grass-cutting season has been one of the most difficult for many years due to the impact of the weather (mild winter and a warm, wet spring); as a result growing conditions for grass have been extremely good. This, along with the much reduced frequency of cutting has seen many areas with growth in excess of 12"-15" before the grass was cut, and this made it difficult to achieve a good quality finish consistently.

As the grass-cutting regime has reduced in frequency, there has been a shift from **requests** to **complaints** (see table below). The most significant change happened between 12/13 when 32% of contacts were requests and 13/14 when 77% were complaints.

	Complaints	Requests	Total
2011/12	192	422	614
2012/13	359	774	1133
2013/14	826	243	1069
2014/15	355 in April/May	26 in April/May	381 in April/May



In the first quarter of 2013/14, the period when most contacts are made, the only services which exceeded the count for grass-cutting were refuse collection and street cleansing (always the two highest); reports about potholes and street lights were at about the same level when they have historically been higher.

In response to these difficult growing conditions we deployed an additional 5 ride-on mowers - 2 cylinder mowers, 2 rotary mowers and 1 flail mower which were brought in to increase the cutting frequency and improve quality over a 6-week period during June/July. The funding for this was provided from one-off (non-recurrent) savings achieved in other areas of Streetpride.

HRA funding has now been secured for 2014/15 and 2015/16 which has targeted additional resources on to 'housing land' including aged person complexes (bungalow sites). This funding has enabled us to release some of the additional resources which were being deployed onto bungalow sites (as a result of environmental improvements – gates, fences etc.) and use them to increase frequency of grass-cutting elsewhere. The impact of this additional funding is as follows:

- We have established dedicated teams to maintain bungalow sites enabling grass-cutting to be done every two weeks;
- The additional ride-on mowers have been retained, and the frequency of general grass-cutting (e.g. open spaces and highway verges) increased to approximately once every 3 weeks;
- The grass-cutting season has been extended to 17<sup>th</sup> October, an additional 4 weeks;
- A pre-season cut has been scheduled for March next year.

This funding has been applied since w/c 4<sup>th</sup> August.

As a result of the actions taken, the quality of grass-cutting now meets the required standard right across the borough, and the number of complaints has reduced significantly.

**Weed-treatment** – The other element of the Grounds Maintenance service which has attracted the most criticism is weed-treatment. Prior to 2012 all adopted highways and footpaths were treated twice each year; budget savings agreed by Members for 2012/13 onwards reduced this to once a year. Weed-treatment is scheduled for completion by the end of August.

Integrating the activity within Grounds Maintenance (it was previously part of Street Cleansing) has enabled us to plan some additional 'hot spot' treatments between now and the end of the year with follow-up 'grubbing-out' works to remove detritus planned for early next year.

Additionally, this year we have successfully trialled using a mechanical sweeper, working with a lengthsman, to remove detritus and dead weeds. There is no specific budget for this work (costs are about £1,200 per week),

and it therefore has to be targeted to make sure that we get the most value from it when funds become available.

#### **8. Finance**

There are no financial implications arising directly from this report.

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

Grounds Maintenance, and more specifically grass-cutting, is a weather dependent service. If growing conditions are unfavourable, even the additional resources being deployed may not always achieve the desired standards.

The additional funding from HRA is only agreed for the 2014/15 and 2015/16 financial years; beyond that time Members will have to reaffirm that the funding will continue.

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

Grounds Maintenance is integral to meeting Corporate Priority 4: ***All areas of Rotherham are safe, clean and well maintained.***

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

Improving Places Select Commission 27<sup>th</sup> March 2013 - Scrutiny Review of Grounds Maintenance

**Contact Name:** David Burton, Director of Streetpride  
**Tel:** 01709 822906  
**e-mail:** david.burton@rotherham.gov.uk

**Streetpride: Leisure & Community Services**  
**Review of Grounds Maintenance and Weed Treatment Operations October / November 2012**

**ACTION PLAN**

**Key Issues**

**2a. Grass cutting:** What's changed? 2010/11 cut every 2 wks; 2011/12 cut every 3 wks; 2012/13 cut every 3 wks (Apr-Jul) then every 5 wks (Aug – Oct); (2013/14 cut every 5 wks) except in parks and recreation grounds which is still every 2 weeks

Action	Responsibility	Date	Comment	Progress (August 2014)
<b>Within Budget</b>				
1. Review seasonal staff adjusted hours - proposed standardised to a 37 hour week.	RRJ / SH	Jan 2013	This is now supported by GM management with consideration of covering the scheduled grass cutting affected by inclement weather – seasonal staff to have Contracts that reflect this.	Standard working week for permanent and seasonal staff now consolidated at 37 hours. Restrictions on staff taking leave during the key months of May and June are in place.
2. Reduce the impact of leave and sickness by adapting process for seasonal recruitment	RRJ / SH	Mar 2013	Method of recruitment agreed – expressions of interest from staff employed last year with short fall from Agency provider	Recruitment progress for seasonal staff has been streamlined.
3. Selective reduction in the areas that are 'fully maintained'.	RRJ / RM / PG	Jan 2013	Working party set up to identify large areas of green spaces land that can have the grounds maintenance relaxed and modified – margins and desire lines. The sites that will receive relaxed maintenance and the sites with increased maintenance are to be shown on drawings and presented to Cabinet	28 sites are now managed through a reduced maintenance regime.

			Members and Ward Members	
4. Broaden skills of remaining full time staff in order to cover leave / sickness etc.	RRJ / Ops Mgrs	Ongoing	GM staff are to be upskilled to fill gaps created through retirement. Skills gaps of Full Time GM staff identified and training planned.	Additional staff have been trained in use of key equipment. With additional HRA funding there will be a need for further training in early 2015.
5. Trial burning in of football pitch lines with chemical to save time and resource when doing initial markings at the start of the football season.	RRJ / Ops Mgrs	May 2013	This action is to be trialled at sites across the borough including Barkers Park.	Trial proved successful and is now adopted as standard practice.
6. Explore potential to change to flail head mowers from rotary mowers on pedestrian machines to help cut long grass on the five week grass cutting cycle.	RRJ / Ops Mgrs	Jan 2013	Pedestrian movers with flail heads to be trialled through the grass cutting season as recommended by SGM.	Configuration of ride-on fleet has been changed to incorporate 7 Flail or Rotary mowers.
7. Continue to develop structured approach to the use of volunteers.	RRJ / MH	Ongoing	The number of volunteers assisting with street cleansing and grounds maintenance continues to increase with support from Streetpride staff.	'Love my Streets' scheme is being developed and trialled in a number of areas. Proposals are being drawn up to better coordinate volunteer work.
8. Explore opportunities to introduce 'cut and remove' by third party (e.g. farmer for hay crop).	RRJ / RM / AL	Mar 2013	Staff to make contact with local farmers. In addition there is a piece of plant within our group we are going to trial which bails the cropped long grass. The bails may then be passed on to local farmers.	We have been unable to identify any farmers to work with on this initiative.
<b>Invest to Save</b>				
9. Purchase specialised grounds maintenance equipment at the end of the current contract (2015). This proposal would require a maintenance contract and the level of investment would be high in the first year.	RRJ / RM	Nov 2015	RJ has had a meeting to discuss with colleagues in CTU and from Oct 13 work will start as there would be a	Some additional equipment has been funded from one-off savings within Streetpride's budgets.

			long lead in time for specialised equipment. A maintenance contract would also be needed	
10. Wild flower planting on selected central reservations to reduce maintenance costs.	RRJ / Ops Mgrs	Ongoing	Works have commenced – weed kill, bulb planting and Seed Contractor engaged. Programme of works agreed with external Contractor to deliver the project – next phase early April 2013.	Successfully implemented, and received a large number of positive comments. We have also been advised that The Council has won a <b>Green Apple Award</b> for this initiative

**2b. Weed killing:** What's changed? 2010/11 – 2 treatments per year; 2011/12 – 1 treatment per year; 2012/13 – 1 treatment per year; (2013/14 – 1 treatment per year); Large Mechanical sweeper removed from schedule Aug. 2012

Action	Responsibility	Date	Comment	Progress (August 2014)
<b>Within Budget</b>				
1. Explore efficiencies created by integrating operation with grounds maintenance schedules	RRJ / SAH / SH	Jan 2013	A report has been prepared with Ops Staff for the consideration of Senior Managers. Programme agreed and Transfer of budget agreed	In place and has provided some limited additional capacity to undertake a 2 <sup>nd</sup> treatment at known hotspots.
2. Waste Management Service to support / accelerate grubbing out	SAH	Dec 2012	The staff availability and the logistics of the operation have caused issues. The next tranche in March will give a further opportunity to grub sites and street clean areas. We did not have any operatives in the March tranche. We were originally offered operatives, but they all decided to take leave rather than undertake Street Cleansing duties.	Complete however, from this year changes to the arrangements for collection of green garden waste means that staff will no longer be available for this work.
3. Store weed kill in a dedicated container at Hellaby to	SAH	Jan	The recently prepared report	Complete

save time on current travel to store at Kiveton Park.		2013	will see weed kill stored across the borough in depots – Oaks, Barbers, Kiveton , Hellaby and Ulley.	
<b>4. Further investment in Billy Goat sweepers x2.</b>				
	SAH	Feb 2013	These are now with the operational managers. If used to remove detritus from footway backs, and where safe to do so carriageway channels there should be a reduction in detritus and therefore weeds. In the West I intend to include the billygoat in the trial cleansing area from February. The trial period will not now continue until 6 May due to the specialist cleansing review taking longer to complete that originally predicted	Complete
<b>5. Invest in weed spraying attachment for large mechanical sweepers to reduce weeds in channels</b>	SAH	Mar 2013	There is no such attachment. This was investigated some years ago and it was found that to fit such a thing would require specially built sweepers however 4no new quad bikes purchased to reduce costs give more flexibility in Parkway and A57 operations.	Complete
<b>Additional Budget</b>				
<b>6. Invest in blowers to help with leaf clearance or to blow small amounts of detritus off footways and on to verges.</b>	SAH	Mar 2013	These small pieces of equipment are leased currently at a competitive rate when maintenance is included.	On going. Proposal to be reconsidered by SC Managers as funding may now be available.

**2c. Shrub/Flower Beds & Hedges:** What's changed? Reduced resource means this schedule is too large to be completed in any one year.

Action	Responsibility	Date	Comment	Progress (August 2014)
<b>Within Budget</b>				
1. End of year removal of certain shrub beds and replace with grass seed. Establish list for potential removal should further funding become available.	RRJ / Ops Mgrs	Mar 2013	Monies made available - £40,000 – to remove shrub beds and soil and seed. List of 1 <sup>st</sup> phase sites agreed with Net. Mgt involve TM and Exc. Contractor. The areas are difficult to access and include night work – commenced 9 <sup>th</sup> March 2013. There are 5 other sites in 1 <sup>st</sup> phase. 2 <sup>nd</sup> phase are within estates and developments with multiple shrub bed sites with very little TM required – Woodlathes, Dinnington works to commence 16 <sup>th</sup> March 2013. All monies available will be expended – w/c 21/01/13.	Various sites have had the shrubbery removed and areas prepared, soiled and seeded.  HRA funding is being sought for the removal of shrub beds from Housing sites.
2. Shrub bed areas prioritised for action based on customer contacts and individual street scene issues.	RRJ / Ops Mgrs	Jan 2013	The lists of sites are areas that are very difficult to maintain – roundabout at Catcliffe, Roundabout outside the new town Centre Leisure Centre plus sites which attract a high volume of calls from local residents.	Priority list drawn up for implementation as funds become available.
3. Waste Management Service to support / accelerate programme of shrub removal / reduction.	RRJ	Dec 2012	Not required on this project, but will be used to grub out weed killing sites and street cleansing sites.	From this year changes to the arrangements for collection of green garden waste means that staff will no longer be available for this work.
4. Establish a long term programme of works to remove	RRJ / Ops Mgrs	Mar	The next phase of removals	See 2c(1) above

shrub beds that are overgrown and can't be maintained on a regular basis.		2013	will be drawn up should further investment be secured	
5. Review flower beds in parks with view to reducing number / size.	RRJ / PG	Jan 2013	Meetings to take place this month	Ongoing
6. Explore potential for 'guerrilla' gardening in shrub beds and other areas	RRJ / MH		Investigation carried out into the subject by MH. A briefing note is to be prepared with recommendations for Senior Managers to consider including possible areas / sites for trials identified.	No further progress on this partly due to savings being taken in respect of the Officer Post that would support this work and to a lack of groups / individuals coming forward.
<b>Invest to Save</b>				
7. Mechanical removal of shrub beds to achieve an efficient method of operation at a rate of approximately £10 per m2 and replacement with soil and seed to allow for easier maintenance. An evaluation of the condition of the shrub beds needed to establish which areas can be removed and which remain because they are beneficial to the neighbourhood and therefore need increased maintenance.	RRJ / Ops Mgrs	Mar 2013	See 2c Action 1. for comment	See 2c(1) above

**2d. Rural Verges:** What's changed? 300 miles of verges previously cut on two occasions during the summer growing season (April to October), now cut over a 32 week period (May to June and October to March).

Action	Responsibility	Date	Comment	Progress
<b>Within Budget</b>				
1. Evaluation of operation to establish if alternative method could be employed. Traffic Management experts being consulted.	RRJ	Jan 2013	Agreed to manage the rural verge grass cutting differently with operation taking place during the grass cutting season.	Revised arrangements for verge cutting are in place.
<b>Additional Budget</b>				
1. Equipment is leased for 32 week to deliver the rural cuts.	RRJ	Mar 2013	The cost of reverting back to the rural verges being cut	Complete



			April – October includes plant hire and operatives. £28k additional cost	
2. Explore cost of reinstating part or whole of summer cutting schedule.	RRJ	Jan 2013	The costs have been investigated and this item has been restored to correct time of year for the operation.	Complete

**2e. Management and Administration:** What's changed? Reduction in management and supervisory staff

Action	Responsibility	Date	Comment	Progress
<b>Within Budget</b>				
1. Identification of support from admin team at Hellaby.	RRJ	Dec 2012	Procedures have been considered and support provided by staff at Hellaby redefined.	Complete
2. Review of Connect scripts.	RRJ / NB	Jan 2013	Several meetings have taken place with relevant staff from Connect and various other staff affected by changes. The process is still being worked on with a hope a script that reduces the number of call backs required by Streetpride staff can be brought in before April 2013. More meetings with Connect reps in March 2013	Scripts have been amended with some success but further work needs to be done
3. Review staff structure to increase management/supervisory resilience.	SH / RRJ / SAH	Jan 2013	Affects on budgets and the pressures on the service cause continual review of current practises and staff.	Complete

**ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS**

<b>1.</b>	<b>Meeting:</b>	<b>Improving Places Select Commission</b>
<b>2.</b>	<b>Date:</b>	<b>Tuesday 16<sup>th</sup> September 2014</b>
<b>3.</b>	<b>Title:</b>	<b>Proposed response to the Government consultation on parking</b>
<b>4.</b>	<b>Directorate:</b>	<b>Environment and Development Services</b>

**5. Summary**

The report sets out the Council's proposed response to the Government's consultation on various issues regarding parking.

**6. Recommendations**

That the Select Commission comments on the proposed response, prior to it being reported formally to Cabinet Member for approval.

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## **7. Proposals and Details**

The Government has stated that it wants to make it easier for local residents and firms to challenge unfair, disproportionate or unreasonable parking policies. This could include the provision of parking, parking charges and the use of yellow lines. This discussion paper invites your views on the design of the mechanism that will make this possible.

A consultation document

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/348848/140830 - Right to challenge parking paper FINAL.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/348848/140830_-_Right_to_challenge_parking_paper_FINAL.pdf) has been published and this Council's proposed response is attached as Appendix A.

## **8. Finance**

It would be speculation to suggest what the financial impact of any changes could be as the possible range of outcomes of the consultation is so varied.

## **9. Risks and Uncertainties**

N / A

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

The Council's current procedures and processes facilitate the submission of petitions with no minimum requirements for the number of signatures or businesses.

The proposals outlined by the Government may reduce the number of petitions the Council receives.

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

**Contact Name** : Martin Beard, Parking Services Manager, Streetpride Service

Extension number 22929

## Appendix A

**The Consultation and the Council's proposed response. The Council's proposed response is shown in *italics*.**

# Proposals for a New Parking Review Mechanism

The current processes are not easily understood or accessed by local residents or businesses, and the timeframe for reviewing policies is not linked to, or required to respond to, changes in local circumstances. This combines to create a perception that people have no say in parking in their area, or power to challenge decisions.

Any new mechanism needs to give local residents, community groups and businesses the ability to engage effectively while recognising the responsibility of local authorities to put in place parking strategies that reflect the needs of all road users (including pedestrians, cyclists and people with disabilities), and the needs of residents, shops and businesses. Such a mechanism needs to be simple, fair and transparent.

To meet this overall aim, the Government is proposing to introduce a requirement that in response to a petition from local residents and/or businesses, local authorities must review their specific parking policy in a specified location, and produce a report for consideration and decision by councillors in an appropriate public council meeting. This approach thus combines direct democracy (the right to petition and call a review) with representative democracy (elected councillors taking a decision, and then being held to account at the ballot box).

We will initially introduce this policy through statutory guidance, and will consider the case for entrenching in legislation.

In considering the detail of this proposal, we would welcome views on a number of areas, in particular:

### **Who should have the ability to petition for a review?**

***The Council's current procedures and processes already allow for petitions to be submitted for consideration by the Council. The current arrangements are far from obstructive and adequately facilitate the submission of petitions. Accordingly, any individual or group can already and should continue to have the opportunity to submit a petition.***

### **What should they be able to challenge, and how?**

***All aspects of the Council's parking policies are open to challenge by means of a petition. Nothing should change.***

### **How should the local authority manage petitions?**

***The Council's current procedures are deemed to be fully fit for purpose, namely:***

- ***Upon receipt of a petition the Strategic Director of the appropriate Directorate is informed and the petition is allocated to an officer for consideration and draft response***
- ***The officers drafts the response and it is reported to full Cabinet at the earliest opportunity***
- ***The draft is reported to Cabinet Member for approval before the response is provided to the petitioner***
- ***Any actions to be taken as a result of a petition are implemented within agreed timescales***

***This Council does not deem it necessary for any changes to its current policy.***

## **Who should have the ability to petition for a review?**

It is of course the right of any individual or business to contact their local authority about any aspect of parking in their area. However, in designing a formal mechanism for petition it would be more practicable to include minimum requirements. These would serve to demonstrate that any challenge is supported by local residents and/or businesses.

We propose that the minimum requirements might include:

- A minimum number of local residents, defined as either paying council tax or being a local government elector.
- A minimum number of local businesses, defined as those registered to pay business rates in the area (irrespective of any relevant Business Rate discounts that might apply).
- Or a combination of the above.

We are considering a minimum of 50 signatures or at least 10% of the residents or businesses in the affected local areas.

We are seeking suggestions for a workable definition of 'minimum', and views on the extent to which local authorities could and should use the flexibility they already have to consider and weight representations from individuals and groups.

Issues to take into account include residents in a specific but small area (such as a single road with only a small number of residents) who are not likely to be able to constitute a group just to organise a petition, and may even not meet any requirement for a minimum number of petitioners. There may also be issues in areas of high or low population density.

## **Do you have any views on the proposed use of petitions?**

***This Council currently consults local residents and businesses prior to the implementation of Traffic Regulation Orders (TRO). The consultation process undertaken by the Council exceeds the statutory requirements set out for the consultation process. This gives all concerned the opportunity to object fully or partly to the proposals. All objections are given appropriate consideration and reported to Cabinet Member prior to response. The Council welcomes views from residents and businesses who will potentially be affected by its proposals and its***

***current procedures reduce the amount of petitions the Council receives regarding parking related matters.***

***With regard to existing parking policies and / or restrictions, the Council already receives representations from individuals and groups regarding a range of issues. These representations are always investigated and a response is always provided by the Council.***

***The Council is of the opinion that there is no need for any change to its current policies and procedures. The introduction of the legislation as outlined in the Government's consultation document may prove to be prohibitive to customers who wish to submit petitions.***

**Do you have any views on what should be the definition of minimum for the purposes of putting together a valid petition?**

***The Council accepts petitions regarding all parking issues, whether or not a consultation on a proposed TRO is in process. There is no minimum requirement with regard to numbers of signatures and / or businesses. This Council deems that its current procedures are fully fit for purpose. The Council is of the opinion that there is no need for any change to its current policy. The introduction of the legislation as outlined in the Government's consultation document may prove to be prohibitive to customers who wish to submit petitions.***

## **What should they be able to challenge, and how?**

The Operational Guidance to local authorities on the Traffic Management Act 2004, states that, in appraising its local parking policy, an authority should take account of the:

- existing and projected levels of parking demand;
- availability and pricing of on- and off-street parking;
- justification for and accuracy of existing Traffic Regulation Orders;
- accuracy and quality of traffic signs and road markings that restrict or permit parking.

It would seem appropriate that the same range of issues be open to petition. However, the petitioner should be expected to provide sufficient information for the local authority to be able to understand exactly what aspect of their policy is being challenged and why. We therefore propose that any petition must include the following:

- A clear description of the geographical area covered by the petition (which could be a road, a series of roads, a polling district, a ward or indeed, the whole council area);
- A clear description of which aspects of parking policy are being challenged, with justification;
- Names, dates and addresses for all people and/or businesses signing the petition;
- Contact details for the organiser of the petition, who shall be the first point of contact for follow up questions, and for notification of progress.

**Do you have any views or comments on this proposal?**

***The fifth and sixth bullet points set out the minimum requirements which the Council believes are necessary to facilitate proper consideration to be given to the subject of the petition.***

## How should the local authority manage petitions?

Although the arrangements for responding to petitions should be determined locally, we would propose that as a minimum, local authorities should ensure that their arrangements include the following:

- a public statement on how they will manage any challenges to their parking policies.

This statement could cover how reviews will be carried out, how long they will take, consultation requirements (including local residents, ratepayers, and any neighbouring authorities who may be affected), and how the final decision will be taken and communicated following the review. The statement should also cover any circumstances where a petition will not be considered (e.g. vexatious petitioners, within a stated minimum period after a previous review in the same area);

- publication of the details of all petitions received, with clear information on what aspects of parking policy are being challenged, the timeline for reviewing the challenged policy and how local residents and businesses can engage in that review;
- the report of the review, and any recommendations, are considered and voted on by councillors;
- the organiser of the petition should be kept updated on progress, and notified when the report is due to be considered and the outcome of the challenge;
- publish the outcome of all reviews.

We will also consider whether legislation will be required to entrench these measures.

### **Do you have any views or comments on this proposal?**

***The proposal in the first bullet point could be easily achieved and would clarify the Council's current procedures.***

***The implementation of the proposals in the remaining bullet points would make the Council's current procedures a legislative requirement i.e. the Council already undertakes the following:***

- ***The publication of all petitions received***
- ***The publication of reports on responses to petitions prior to and following reporting to Cabinet / Cabinet Member***
- ***Updating the petitioner throughout the process***