# Council

**Wednesday, 2 March 2016**
**2.00 p.m.**
**Council Chamber, Town Hall,**
**Moorgate Street, Rotherham.  S60 2TH**

Rotherham
Metropolitan
Borough Council

# WELCOME TO TODAY'S MEETING

## GUIDANCE FOR THE PUBLIC

The Council is composed of 63 Councillors, who are democratically accountable to the residents of their ward.

The Council Meeting is chaired by the Mayor, who will ensure that its business can be carried out efficiently and with regard to respecting the rights and responsibilities of Councillors and the interests of the community.The Mayor is the Borough's first citizen and is treated with respect by the whole Council, as should visitors and member of the public.

All Councillors meet together as the Council. Here Councillors decide the Council's overall policies and set the budget each year. The Council appoints its Leader, Mayor and Deputy Mayor and at its Annual Meeting will appoint Councillors to serve on its committees.

Copies of the agenda and reports are available on the Council's website at www.rotherham.gov.uk. The public can also have access to the reports to be discussed at the meeting by visiting the Reception at the Town Hall. The Reception is open from 8.00 a.m. to 5.30 p.m. each day. You may not be allowed to see some reports because they contain private information and these will be marked accordingly on the agenda.

Members of the public have the right to ask questions or submit petitions to Council meetings. A member of the public may ask one general question in person which must be received in writing to the Chief Executive by 10.00 a.m. on the Friday preceding a Council meeting on the following Wednesday and must not exceed fifty words in length.

Council meetings are webcast and streamed live or subsequent broadcast via the Council's website. At the start of the meeting the Mayor will confirm if the meeting is being filmed. You would need to confirm your wish not to be filmed to Democratic Services. Recording of the meeting by members of the public is also allowed.

Council meetings are open to the public, but occasionally the Council may have to discuss an item in private. If this occurs you will be asked to leave. If you would like to attend a meeting please report to the Reception at the Town Hall and you will be directed to the relevant meeting room.

## FACILITIES

There are public toilets, one of which is designated disabled with full wheelchair access, with full lift access to all floors. Inducton loop facilities are also available in the Council Chamber, John Smith Room and Committee Rooms 1 and 2.

Access for people with mobility difficulties can be obtained via the ramp at the main entrance to the Town Hall.

If you have any queries on this agenda, please contact:-

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Date of Publication:- 23rd February, 2016.

# COUNCIL

**Wednesday, 2 March 2016 at 2.00 p.m.**
**Council Chamber, Town Hall, Moorgate Street, Rotherham. S60 2TH**

**THE MAYOR (Councillor Maggi Clark)**
**DEPUTY MAYOR (Councillor Christopher Middleton)**

**CHIEF EXECUTIVE (Sharon Kemp)**

## MEMBERS OF THE COUNCIL

**ANSTON AND WOODSETTS**

TAYLOR, Robert
BURTON, Josephine A.
JEPSON, Clive R.

**BOSTON CASTLE**

ALAM, Saghir
YASSEEN, Taiba
MCNEELY, Rose M.

**BRINSWORTH AND CATCLIFFE**

AHMED, Shabana
RODDISON, Andy
BUCKLEY, Alan

**DINNINGTON**

TWEED, Simon
FINNIE, Ian
MALLINDER, Jeanette

**HELLABY**

ASTBURY, Lauren
FLEMING, Richard
TURNER, John

**HOLDERNESS**

ROBINSON, Christopher B.
PITCHLEY, Lyndsay
SMITH, Gerald

**HOOBER**

ROCHE, David J.
HAMILTON, Jane
STEELE, Brian

**KEPPEL**

CLARK, Margaret
HAGUE, Paul
CUTTS, Dave

**MALTBY**

GODFREY, Margaret
BEAUMONT, Christine
RUSHFORTH, Amy L.

**RAWMARSH**

WHELBOURN, Glyn
EVANS, Simon
VINES, Caven

**ROTHER VALE**

LELLIOTT, Denise
HUGHES, Darren
REYNOLDS, Gregory

**ROTHERHAM EAST**

WALLIS, Emma
KHAN, Tajamal
ALI, Shaukat

**ROTHERHAM WEST**

SIMS, Kath
VINES, Maureen
JONES, Ian

**SILVERWOOD**

RUSSELL, Gwendoline A.
ROSLING, Jon
PARKER, Martyn

**SITWELL**

MIDDLETON, Christopher N.
TURNER, Julie
COWLES, Allen

**SWINTON**

WYATT, Kenneth J.
ROSE, Eve
SANSOME, Stuart

**VALLEY**

CURRIE, Simon
PICKERING, Dave
REEDER, Kathleen

**WALES**

WATSON, Gordon
WHYSALL, Jennifer
BECK, Dominic

**WATH**

GOSLING, Alan
ELLIOT, Jayne
ATKIN, Alan

**WICKERSLEY**

HODDINOTT, Emma
READ, Chris
ELLIS, Sue

**WINGFIELD**

JOHNSTON, Lindsay M. S.
PRICE, Richard
HUNTER, Lee

# Council Meeting
# Agenda

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**Time and Date:-**
Wednesday, 2 March 2016 at 2.00 p.m.

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

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**1. ANNOUNCEMENTS**

To consider any announcements by the Mayor or the Leader.

**2. APOLOGIES FOR ABSENCE**

To receive the apologies of any Member who is unable to attend the meeting.

**3. PETITIONS**

To report on any petitions received by the Council.

**4. COMMUNICATIONS**

Any communication received by the Mayor or Chief Executive which relates to a recommendation of the Cabinet or a committee which was received after the relevant meeting.

**5. DECLARATIONS OF INTEREST**

To invite Councillors to declare any disclosable pecuniary interests or personal interests they may have in any matter which is to be considered at this meeting, to confirm the nature of those interests and whether they intend to leave the meeting for the consideration of the item.

**6. MINUTES OF THE PREVIOUS COUNCIL MEETING (Pages 1 - 29)**

To receive the record of proceedings of the ordinary meeting of the Council held on 27th January, 2016 and to approve the accuracy thereof.

**7. MINUTES OF THE CABINET/COMMISSIONERS' DECISION MAKING MEETINGS (Pages 30 - 46)**

To receive and consider reports, minutes and recommendations of the Cabinet/Commissioners' Decision Making Meetings held on 15th and 23rd February, 2016.

**15th February, 2016:-**

**See Minute No. 17 – Rotherham Transport Strategy (see Item 13 on this agenda)**

**See Minute No. 18 – Rotherham's Housing Strategy 2016-19 (see Item 14 on this agenda)**

**23rd February, 2016:-**

**See Minute No. 29 – Revenue Budget Setting Report 2016/17 (see Item 9 on this agenda)**

**See Minute No. 30 – Capital Programme Budget Setting Report – 2016/17 to 2020/21 (see Item 11 on this agenda)**

**See Minute No. 31 – Prudential Indicators and Treasury Management and Investment Strategy 2016/17 – 2018/19 (see Item 12 on this agenda)**

To confirm the minutes as a true record.

**8. PUBLIC QUESTIONS**

To receive questions from members of the public who may wish to ask a general question of the Mayor, Cabinet Member or the Chairman of a Committee.

**9. REVENUE BUDGET SETTING REPORT 2016/17 (Pages 47 - 310)**

To approve and adopt the revenue budget for 2016/17, impact on the budget proposals in 2017/18 and 2018/19, investment proposals, use of reserves, comment and advice of the Interim Strategic Director of Finance and Customer Services in relation to reserves, the consultation feedback from the public and partners, the proposed use of Capital Receipts to fund the first £2m of severance costs and the increase in the basic amount of Council Tax.

**10. SETTING THE COUNCIL TAX FOR 2016/17 (Pages 311 - 329)**

To approve this report and the formal Council Tax Resolution.

**11. CAPITAL PROGRAMME BUDGET SETTING REPORT - 2016/17 TO 2020/21 (Pages 330 - 458)**

To approve and adopt the new Capital Strategy and the proposed Capital Programme for the period 2016/17 to 2020/21.

**12. PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2016/17 - 2018/19 (Pages 459 - 487)**

To approve and adopt the prudential indicators and limits for 2016/17 to 2018/19, the Minimum Revenue Provision Policy Statement, Treasury Management Strategy for 2016/17 to 2018/19 and Investment Strategy 2016/17 to 2018/19.

**13. ROTHERHAM TRANSPORT STRATEGY (Pages 488 - 504)**

To approve and adopt Rotherham's Transport Strategy and note the internal consultation and comments.

**14. ROTHERHAM'S HOUSING STRATEGY 2016-19 (Pages 505 - 545)**

To approve and adopt Rotherham's Housing Strategy 2016-19.

**15. SHEFFIELD CITY REGION DEVOLUTION DEAL (Pages 546 - 589)**

To endorse the devolution agreement, note the work that has taken place since the 'deal' was proposed in October 2015, note and take into account the results of the City Region's consultation exercise that has taken place between October 2015 and January 2016 and delegate authority to the Chief Executive (in consultation with the Leader and Commissioners as appropriate) to consent to an enabling Order.

**16. NOTICE OF MOTION - EUROPEAN UNION**

Motion on behalf of the United Kingdom Independence Party Group

Due to the negative impact that the "Treaty of Lisbon" such as **Section 2: Aids granted by States – Article 107 (ex Article 87 TEC)** and EU procurement rules have on the ability and cost of Rotherham Metropolitan Borough Council to fulfil its obligations, this Council agrees that Great Britain would be better off outside the European Union.

EU state aid rules do not allow aid such as emergency loans or Government guarantees on loans to steel manufacturers in financial difficulties.

This puts the jobs of people who work in the steel industry and live in Rotherham or surrounding areas directly under threat.

This Council, therefore, resolves to:-

Call on the Government: To consider supplying state aid to the steel industry immediately.

Call on the Government: For Great Britain to leave the European Union and regain control of sovereign laws.

Proposer:- Councillor Richard Fleming Seconder:- Councillor John Turner

**17. STANDARDS COMMITTEE (Pages 590 - 594)**

To receive and consider reports, minutes and recommendations of the Standards Committee held on 14th January, 2016.

To confirm the minutes as a true record.

**18. AUDIT COMMITTEE (Pages 595 - 608)**

To receive and consider reports, minutes and recommendations of the Audit Committee held on 10th February, 2016.

To confirm the minutes as a true record.

**19. HEALTH AND WELLBEING BOARD (Pages 609 - 621)**

To receive and consider reports, minutes and recommendations of the Health and Wellbeing Board held on 13th January, 2016.

To confirm the minutes as a true record.

**20. PLANNING BOARD (Pages 622 - 628)**

To receive and consider reports, minutes and recommendations of the Planning Board held on 28th January and 18th February, 2016.

To confirm the minutes as a true record.

**21. STAFFING COMMITTEE (Pages 629 - 638)**

To receive and consider reports, minutes and recommendations of the Staffing Committee held on 15th February, 2016.

**See Minute No. 19 – Pay Policy Statement 2016 (report appended to the minutes)**

To confirm the minutes as a true record.

**22. MEMBERS' QUESTIONS TO DESIGNATED SPOKESPERSONS**

To put questions, if any, to the designated Members on the discharge of functions of the South Yorkshire Police and Crime Panel, South Yorkshire Fire and Rescue Authority, Barnsley, Doncaster, Rotherham and Sheffield Combined Authority and South Yorkshire Pensions Authority, in accordance with Standing Order No. 7(5).

**23. MEMBERS' QUESTIONS TO CABINET MEMBERS AND CHAIRMEN**

To put questions, if any, to Cabinet Members and Chairmen (or their representatives) under Standing Order No. 7(1) and 7(3).

**24. URGENT ITEMS**

Any other public items which the Mayor determines are urgent.

**25. EXCLUSION OF THE PRESS AND PUBLIC**

Should it be necessary, in the opinion of the Mayor, to consider excluding the press and public from the meeting in relation to any items of urgent business on the grounds that private information is likely to be divulged.

There are no such items at the time of preparing this agenda.

**CATHERINE A. PARKINSON,**
Interim Director of Legal and Democratic Services.

**The next meeting of the Council will be on 20th April, 2016 at 2.00 p.m. at the Town Hall.**

**COUNCIL MEETING**
**Wednesday, 27th January, 2016**

Present:- The Mayor (Councillor Maggi Clark) (in the Chair); Councillors Ahmed, Alam, Astbury, Atkin, Beaumont, Beck, Buckley, Burton, Cowles, Currie, Cutts, Elliot, Ellis, Evans, Fleming, Godfrey, Hague, Hoddinott, Jones, Khan, Lelliott, Mallinder, McNeely, Middleton, Parker, Pickering, Pitchley, Price, Read, Reeder, Reynolds, Robinson, Roddison, Rose, Rushforth, Russell, Sansome, Sims, Smith, Steele, Taylor, Julie Turner, Tweed, C. Vines, M. Vines, Wallis, Watson, Whelbourn, Whysall, Wyatt and Yasseen.

## 110. ANNOUNCEMENTS

The Mayor confirmed she had attended the Holocaust Memorial Day 2016 event in All Saints' Square.

The Holocaust and subsequent genocides took place because the local populations allowed insidious persecution to take root. Whilst some actively supported or facilitated state policies of persecution, the vast majority stood by silently – at best, afraid to speak out; at worst, indifferent. Bystanders enabled the Holocaust, Nazi Persecution and subsequent genocides.

As part of the Holocaust Memorial Day 2016 a two and a half minute film was viewed which showed Susan Pollack, a survivor of the Holocaust, telling a unique story of surviving genocide for the first time.

The film was available for viewing on Youtube and could also be found via this link - https://www.youtube.com/watch?v=_mk6xNumdgc

A Symbolic Message Tree was also on display in the Council Chamber. The aim of the Holocaust Memorial Day was to learn from the past in order to create a safer, better future. The national theme this year was 'Don't Stand By,' which considered individual responsibilities here in Rotherham not to be bystanders when people around faced hate crime, prejudice or victimisation.

Members were invited to leave their own message after the meeting and place it on the Symbolic Message Tree considering how they 'won't stand by…'

The Mayor also wished to share with the Council the contents of a letter she had received from Anne Hidalgo, the Mayor of Paris which she read out.

The Mayor was also pleased to announce how she had represented Rotherham on 45 occasions since the previous Council meeting. Many were events celebrating Christmas with music and carols with Sitwell Rotary, Shiloh, Liberty and Hope Churches, South Yorkshire Federation

of Women's Institutes, Rotherham Choral Society and the Lanes Community Association. She also saw St. Joseph's School perform a wonderful nativity.

The Mayor had attended parties with Rotherham Headway, Rotherham foster children and parents, Kimberworth Park over 50's, Alzheimer's Dementia Memory café, and Military Community Veterans Centre and opened the Hidden Treasures charity shop on Vicarage Lane and the Hospice furniture shop at Wath.

The Mayor had hosted visits from the Red Cross and Aston Lodge School Wise Owls, attended Rotherham Holiday Aid AGM, carnival for MAGNA, a Frozen party raising funds for MIND, as well as making presentations to South Yorkshire Schools' Association and St John's Ambulance and the Looked After Children's Awards.

The Mayor had also visited a number of couples celebrating their 60th wedding anniversaries including former Councillor and Mayor Sheila Walker.

## 111. APOLOGIES FOR ABSENCE

The Managing Director submitted apologies for absence from Councillors Ali, Finnie, Gosling, Hamilton, Hughes, Hunter, Jepson, Roche and John Turner.

## 112. PETITIONS

The Managing Director confirmed no petitions had been submitted for consideration.

## 113. COMMUNICATIONS

No communications had been received.

## 114. DECLARATIONS OF INTEREST

Councillors Astbury, Currie, Ellis, Pickering, Reeder, Whelbourn and Wyatt declared personal interests in Minute No. 118 (Council House Rents 2016/17) on the grounds that they were, related to or associated with Council tenants.

Councillors Astbury, Atkin, Currie, Elliot, Ellis, Hoddinott, Mallinder, Pitchley, Price, Read, Rose, Sansome, Sims, Steele, Wallis, Whelbourn, Wyatt and Yasseen declared disclosable interests in Minute No. 126 (Motion – Trades Union Bill) on the grounds that they were Trade Union members or those that received financial support from Trades Unions.

A dispensation had been granted by the Standards Committee at its meeting on the 14th January, 2016 to ensure the business to be transacted was not impeded if the number of persons prohibited from participating in the business were of a great proportion.

**115. MINUTES OF THE PREVIOUS COUNCIL MEETING**

**Resolved:- That the minutes of the meeting of Council held on 9th December, 2015, be approved for signature by the Mayor.**

Councillor Currie, in speaking to the minutes, suggested that information relating to former roles undertaken by Members be included on their websites.

Mover:- Councillor Read Seconder:- Councillor Watson

**116. PUBLIC QUESTIONS**

**(1) Mr. D. Smith** asked whether it was true that RMBC were sending out letters in an attempt to fill empty properties, and who the letters were directed at?

Councillor Wallis, Advisory Cabinet Member for Housing, thanked Mr. Smith for his question and confirmed the Council had written to some people to advise them of the option that they have to place their names on the housing register and apply for Council housing.

The Council had changed its allocations policy on two occasions recently. On the first occasion in 2014 the eligibility criteria for inclusion on the housing register was tightened to ensure that only those in the greatest need of Council housing were eligible to apply. This policy change saw the numbers on the housing register fall to approximately 5000 applicants.

However, this meant that a small number of properties were not attracting interest. Consequently the policy was changed again to allow those in lesser housing need to apply for these properties.

In November the Housing Options Service wrote to those who had previously been on the register, to advise them they could once again apply but that they would be placed in Band 4, and only be able to apply for particular houses when there was a lack of interest from those in higher bands.

In a supplementary question Mr. Smith asked about the type of properties being discussed?

Councillor Wallis, Advisory Cabinet Member for Housing, explained this was housing that was in low demand, but confirmed a more detailed response would be provided in writing.

**(2) Mr. M. Eyre** asked whether, after the events this week at Clifton school and the fear of many parents to ever send their children there again, would the Leader agree with him that the evidence suggested this school is failing?

Councillor Watson, Deputy Leader thanked Mr. M. Eyre for his question and pointed out this was a serious event, which, as a teacher for thirty-six years, he found fighting in schools untenable.

The fighting between pupils which was reported in the press was very worrying for parents pupils and staff. Council officers visited the school to support it the following day.

Clifton School went into Special Measures in September 2014 and since then the school had received four monitoring visits from OFSTED; the last was in December 2015. All the OFSTED monitoring visits have judged that the school was taking effective action towards the removal of special measures. The school had also been identified as a Local School of Concern and was monitored by the Local Authority's School Improvement Service. This involved a number of quality assurance visits to the school and also formal meetings where evidence must be provided, by the school, to show that it was continuing to make progress towards the removal of special measures. In 2015 the % of young people achieving 5 or more GCSEs including English and Maths increased from 28% to 43% which was above the national floor target of 40%.

Any incidence of poor behaviour in a Rotherham school was a concern and the Council monitored issues of this nature very closely. The Council was working closely with the school to ensure that parents were kept informed regarding actions taken to keep the school community safe and restore 'business as usual'. Following the incident to which you referred, Council officers carried out extended visits to the school and reported a calm atmosphere, both in lessons and during social time. In addition, any parents requesting a meeting with the school's leaders to discuss any worries have been accommodated quickly. The Council was also supporting the school to look at strategies for improving support for its community.

In summary Councillor Watson confirmed technically Clifton School was classed as a failing school, but did not believe Clifton School was continuing to fail.

In a supplementary question Mr. Eyre confirmed he had spoken to various pupils around the school which appeared to have a climate of fear; one pupil confirmed she was terrified to return and another said he was not involved, may be a soft target and could possibly be attacked. With this in mind would the Council do everything possible to make sure this school was looked into and progressed? With regards to more pupils achieving more A-C grades if there was to be a climate of fear at the school pupils would be unable to concentrate and grades would slip.

Councillor Watson, Deputy Leader, agreed it was not tolerable to have a climate of fear in a school and confirmed this was not witnessed on visits into the school. This was not to say that the two individuals Mr. Eyre referred to were not fearful and suggested that if the pupils or their families would like to approach officers or via Mr. Eyre any alternative help could be considered. Assurance was given that the Authority was doing everything it could to see the school succeed and were not prepared to leave anyone behind in Rotherham.

**(3) Mr. B. Cutts** asked whether "educational religious establishment", could be defined and it be confirmed whether they were governed by OFSTED, how many were there in R.M.B.C. and where was the Mosque in Wellgate?

Councillor Watson, Deputy Leader thanked Mr. Cutts for his question.

An educational religious establishment was referred to by the Government as a 'religious supplementary school' and defined in terms of the number of hours in a week that children could be taught there. Rotherham currently had eleven educational religious establishments within this definition. The Mosque on Wellgate was on Gerard Road.

Any religious establishment where children may be taught for 6-8 hours or more would need to be registered with the Department for Education and it was the Government's intention that OFSTED would in the future be given the powers to inspect. The Government's consultation on the plans to require these establishments to register and to give OFSTED the power to inspect concluded on January 11th 2016. The results of the consultation are not yet available.

Councillor Watson, Deputy Leader, kindly invited Mr. Cutts to contact him to discuss the nature of his question in order to clear up any confusion.

## 117. CALCULATION OF THE COUNCIL TAX BASE FOR 2016/17

Consideration was given to the report which detailed the Council's proposed Council Tax base for the forthcoming financial year 2016/17.

This calculation took into account the Council's own Local Council Tax Reduction Scheme (CTRS), the discretionary discounts and exemptions awarded to empty properties and second homes, future tax collection rates in 2016/17 and estimates of the changes and adjustments in the tax base that occur during the financial year.

In accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 governing its calculation, it was determined that the Council's Tax Base for the financial year 2016/17 was 67,149.57 Band D Equivalent Properties.

Councillors Cowles and Parker expressed their discontent with the third bullet point down on page 28 of the agenda pack relating to Council Tax being charged on empty properties undergoing major structure repairs and on the grounds that this was grossly unfair for people who may have been admitted to hospital or those who may inherit a property following a bereavement.

Clarification was also sought on the Council Tax Reduction Scheme and if there were to be any changes these would need to be subject to consultation. However, it was pointed out by the Leader that no change was recommended.

**Resolved:- (1) That Rotherham's Council Tax Reduction Scheme for 2016/17 be unchanged from 2015/16.**

**(2) That the 25% Council Tax empty property discount allowed for the first six months a property is empty should be revised to 0%.**

**(3) That the full Council Tax be charged on empty properties undergoing major structural repairs for the financial year 2016/17.**

**(4) That the amount calculated by Rotherham Metropolitan Borough Council as its Council Tax Base and those of the Parish Councils shown at Appendix A for 2016/17 shall be a total of 67,149.57 Band D Equivalent Properties.**

Mover: Councillor Read Seconder:- Councillor Watson

**118. HOUSING RENTS 2016/17**

Consideration was given to the report which sought approval for the setting of the housing rent and non-dwelling rents for 2016-17, in line with Section 21 of The Welfare Reform and Work Bill 2015/16.

The report submitted also set out the proposed charges for garages, garage plot sites, cooking gas and communal facilities for 2016/17 and summarised the draft HRA budget.

Councillor C. Vines expressed his concern at the decrease in revenue and the impact this would have on repairs.

Councillor Wallis confirmed a response would be provided in writing for Councillor Currie when he asked about the impact on the thirty year business plan and the Medium Term Financial Strategy.

**Resolved:- (1) That dwelling rents be reduced by 1% for 2016/17 in line with the requirements outlined in the Welfare to Work Bill 2015/16. The average dwelling rent for 2016/17 will be £73.71 per week over 52 weeks, an average reduction of £0.68 per week.**

**(2) That the average rent for the energy efficient council properties be also reduced by 1% to £95.43 per week, an average reduction of £0.97 per week.**

**(3) That there be no increase to charges for garage rents, communal facilities and cooking gas in 2016/17.**

**(4) That the draft Housing Revenue Account budget for 2016/17 be noted.**

**(5) That rent and non-dwelling charges be charged over 52 weeks rather than the current 48 weeks.**

Mover:- Councillor Wallis Seconder:- Councillor Watson

(Councillor Astbury, Currie, Ellis, Pickering, Reeder, Whelbourn and Wyatt declared personal interests in this item on the grounds that they were, related to or associated with Council tenants)

**119. DISTRICT HEATING SCHEME CHARGES 2016/17**

Consideration was given to the report which sought approval for the proposed charges for the Council's District Heating schemes for 2016-17, which had taken into account the cost of the schemes, weekly pre-payment charge and the impact of the level of refunds and tenant arrears owed to the Council.

Approval was also sought to charge for district heating over 52 weeks in line with Council rents and non-dwelling charges, with a further review of all schemes to be undertaken during 2016/17.

Councillor Parker noted the request for district heating charges to remain at current prices, but asked if consideration would be given at some point to the charge being reduced if oil prices continued to fall. He was advised that whilst this was not under consideration at this point in time, officers should look at this in the future.

Councillor Wyatt welcomed the proposals as unlike other tenants, those in district heating schemes were unable to shop around and find a better deal.

Councillor Beck referred to the Scrutiny Review undertaken four years ago which made a number of recommendations which were taken forward.

**Resolved:- (1) That there be no increase to the unit charge for the pooled district heating schemes.**

**(2) That there be no increase to the pre-payment weekly charge for the pooled and unmetered scheme at Beeversleigh.**

**(3) That there be no increase to the unit KWh charge at the Swinton district heating scheme.**

**(4) That a further review of the pooled schemes be undertaken in 2016/17 including achievement towards full cost recovery.**

**(5) That approval be given to charge for district heating over 52 weeks in line with council rents and non-dwelling charges.**

Mover:- Councillor Wallis Seconder:- Councillor Watson

**120. MID-YEAR TREASURY MANAGEMENT AND PRUDENTIAL INDICATORS MONITORING REPORT - 2015/16**

Consideration was given to a report which detailed how the regulatory framework of treasury management required the Council to receive a mid-year treasury review, in addition to the forward looking annual treasury strategy and backward looking annual treasury report required previously.

This report incorporated the needs of the Prudential Code to ensure adequate monitoring of the capital expenditure plans and the Council's prudential indicators (PIs) for 2015/16 were approved by Full Council.

This report had been considered by the Audit Committee during November, 2015 which highlighted the key changes to the Council's capital activity (the PIs) and the actual and proposed treasury management activity (borrowing and investment).

Following further discussions with the Council's external auditor it was recommended that further clarification should be included within the wording of the current policy statement.

Councillor Parker sought clarification on the inclusion of PFI Schemes on the balance sheet, why it was not included as part of this report as Rotherham was still liable for the money and asked what the actual figure was.

Councillor Alam confirmed PFI Schemes were not included, but would provide a more detailed response setting out the figures in full in writing.

Councillor Currie suggested that, as the funding and expenditure was intricate, a seminar be arranged for all Members for them to gain a better understanding of the budget.

The Leader welcomed such a suggestion and would ensure appropriate arrangements were made.

**Resolved:- (1) That the changes to the 2015/16 prudential indicators be approved.**

**(2) That the update to the wording of the current Minimum Revenue Provision Policy Statement be approved.**

**(3) That an all Member Seminar be arranged on this topic in due course.**

Mover:- Councillor Alam Seconder:- Councillor Watson

**121. SUBMISSION OF THE ROTHERHAM COMMUNITY INFRASTRUCTURE LEVY**

Consideration was given to a report which sought approval for the submission to Government of Rotherham's Community Infrastructure Levy (CIL). This was a new means of securing funding for the infrastructure required as a result of development proposed in the Council's Local Plan.

Previously the Council had used Section 106 obligations to fund off-site provisions, but this new levy was more transparent with an upfront cost to developers. Development was not to be stifled so CIL charges would reflect development type and geographical location.

An independent examination would then be held on whether the Council's proposals struck an appropriate balance between the desirability of funding infrastructure from the levy and the potential effects upon the economic viability of development in the Borough.

If the Inspector approved the Community Infrastructure Levy Charging Schedule it was anticipated that this could be in operation by the Autumn.

Councillor Cowles referred to Section 3.4 in the report where it referenced the levy paying for off-site provision for secondary school places, health facilities/new surgery, library and community centre as part of the Bassingthorpe Farm development. If these were being paid for by the levy what was being lost that the levy would have paid for that it was now covering in the report.

Councillor C. Vines understood the levy to be a tiered system based on value of location and the value of land for building on, why then was Bassingthorpe Farm put into the lowest grade, when this was an attractive piece of land.

Councillor Parker also asked if this was to replace the Section 106 Agreements had a comparison of costs been undertaken and would this inflate cost to developers or would the costs roughly be the same.

Councillor Lelliott in addressing the questions posed confirmed that this report was only asking for agreement for the submission of the charging schedule for independent inspection.

This would then be open for consultation and questions such as those above could be asked at the relevant point.

This levy was an upfront cost and applicable to all developers and placed into a central pot. It was priced according, fair to the viability of the area and certain pockets of land in the borough were more viable as development sites than others.

The levy would be used for the funding infrastructure in terms of Bassingthorpe Farm development and to enable such a scheme as this to be ahead.

Councillor Lelliott was more than happy to provide further clarification on any points Members may have if they wished to contact her and she would provide this in writing.

**Resolved:- That the Community Infrastructure Levy Charging Schedule be submitted to Government for examination.**

Mover:- Councillor Lelliott Seconder:- Councillor Atkin

**122. APPOINTMENT OF A HEAD OF PAID SERVICE, RETURNING OFFICER, ELECTORAL REGISTRATION OFFICER AND DEPUTY ELECTORAL REGISTRATION OFFICER**

Consideration was given to a report which recommended the appointment of the new Chief Executive, Sharon Kemp, as Head of Paid Service, Returning Officer for Elections and Electoral Registration officer and the incoming Assistant Director of Legal Services as Deputy Electoral Registration officer.

**Resolved:- (1) That the Chief Executive, Sharon Kemp be designated as the Head of Paid Service.**

**(2) That the Chief Executive, Sharon Kemp, be appointed as Returning Officer for local government elections.**

**(3) That the Chief Executive, Sharon Kemp, be appointed as Electoral Registration Officer.**

**(4) That the new Assistant Director of Legal Services, Dermot Pearson, be appointed as Deputy Electoral Registration Officer when he commences employment on the 7th March. 2016.**

**(5) That Stuart Fletcher, Commercial, Property and Information Governance Service Manager, Legal Services, be appointed as the Deputy Registration Officer pending the commencement of employment of the new Deputy Electoral Registration Officer on the 7th March, 2016.**

**(6) That the temporary amendments to the Council's Constitution and Scheme of Delegation be reversed in respect of Proper Officer arrangements as adopted at the Council meeting on the 16th September, 2015, and revert to the previous Scheme of Delegation which provide for the Chief Executive and the incoming Assistant Director Legal Services to undertake the "Proper Officer Provisions" described in the Scheme of Delegation.**

Mover:- Councillor Read, Leader Seconder:- Councillor Watson

**123. CONSTITUTION UPDATE AND REVIEW OF SPECIAL RESPONSIBILITY ALLOWANCE STATUS**

Consideration was given to the report which provided an update to the Council's Constitution to reflect the duties and responsibilities of the Advisory Cabinet Members and the decision of the Lead Commissioner to pay a proportion of Special Responsibility Allowance (SRA) to certain office holders.

Council were asked to agree amendments to the Constitution in respect of the arrangements for call in of Executive decisions and the amendments to the Executive Procedure Rules as set out in the report, to include arrangements for the public asking questions at Cabinet meetings.

Councillor C. Vines pointed out that the Secretary of State was still to sign off the return of certain powers to the Council and the consultation period had not yet expired.

Councillor Currie welcomed the return of asking public questions at Cabinet, but asked the public to have the opportunity rather than Elected Members taking up the time.

Councillor Hoddinott welcomed the return of public questions at the Cabinet and the return of the call-in arrangements.

Councillor Steele welcomed the report and supported the work going forward.

Councillor Parker supported the concept of public questions at Cabinet meetings, but pointed out Councillors should not be asked to leave Cabinet meetings. He believed they should be permitted to stay whilst pointing out severe disciplinary action should be administered to those who then divulged confidential information.

The Leader confirmed a review had recently concluded and as a result it was anticipated that all Councillors would be granted permission to attend full meetings and be provided with all relevant papers.

**Resolved:- (1) That the changes to the Constitution to reflect the new portfolios of Advisory Cabinet Members be noted.**

**(2) That the decision of the Lead Commissioner in December 2015 be noted to pay fifty percent of the SRA in respect of the three new Advisory Cabinet Members (Councillors Alam, Wallis and Yasseen) with effect from 9th December, 2015 and eighty percent of the SRA to all Advisory Cabinet Members from 15th February 2016.**

**(3) That the previous "call-in" arrangements, as set out at Appendix 2, be reinstated to the Council's Constitution.**

**(4) That the Executive Procedure Rules within the Council's Constitution apply to these meetings and Cabinet meetings be held every four weeks.**

**(5) That the procedures regarding members of the public asking questions at Cabinet meetings be reinstated, as set out in Appendix 3.**

Mover:- Councillor Alam Seconder:- Councillor Watson

**124. AUTHORISATION OF OFFICER TO APPEAR IN COURT PROCEEDINGS**

Consideration was given to a report which sought authorisation from the Council under Section 223 of the Local Government Act 1972, for a newly recruited Technical Officer to the Council's Account Management Team to appear in the Magistrates' Court on behalf of the Council.

**Resolved:- That Vivian Wadsworth be authorised under Section 223 of the Local Government Act 1972 to prosecute, defend or appear in proceedings on behalf of the Council in the Magistrates' Court.**

Mover:- Councillor Read, Leader Seconder:- Councillor Watson

**125. REVISED MEMBERSHIP ARRANGEMENTS 2015/16**

Consideration was given to the revised membership arrangements for the current municipal year as recommended.

Councillor Currie asked if Licensing was still on the risk register and if so would it be impartial for the Chair of the Licensing Board to be included on the membership of the Audit Committee.

Councillor Wyatt, Chair of the Audit Committee, confirmed that it was the Committee's duty to look at all risk registers.

**Resolved:- (1) That Councillor Buckley replace Councillor Wallis as Vice-Chairman of the Advisory Licensing Board.**

**(2) That Councillor Ellis replace Councillor Alam on the Audit Committee.**

**(3) That Councillor Roddison replace Councillor Wallis on the Improving Places Select Commission.**

**(4) That Councillor McNeely replace Councillor Alam on the Health Select Commission.**

**(5) That Councillor McNeely replace Councillor Alam on the Standards Committee.**

**(6) That Councillor Khan replace Councillor Yasseen on the Planning Board and for Councillor McNeely to be named as substitute.**

**(7) That Councillor Sansome replace Councillor Roche on the Planning Board and for Councillor Roche to be named as substitute.**

Mover:- Councillor Read, Leader Seconder:- Councillor Watson

**126. NOTICE OF MOTION - TRADES UNION BILL**

Moved by Councillor Richard Price and seconded by Councillor Robert Taylor

This Council notes:-

As a major employer in the local area, this Council welcomes the positive benefits that arise from the relationship that we have with recognised trade unions and believes that the relationship between employers and their employees through their collective representatives would be damaged by removing the autonomy of local authorities with regards to facility time and the continuing use of check-off (where union members pay union dues direct from wages).

This Council believes that the Trade Union Bill, far from assisting employer-employee relations or improving workplace democracy, is an ideologically driven attack on the fundamental rights and freedoms of workers to organise or take strike action. The Council notes that the Bill and associated secondary legislation will:-

- Allow agency labour to be used to break strikes. This is currently allowed and would be deeply divisive, and with agency workers often doing unfamiliar jobs, could pose a serious health and safety risk to themselves and others.
- Massively limit the right to strike by introducing very high thresholds for industrial ballots, with an extra threshold in certain public services, without doing anything to improve the ability of workers to participate in ballots.

- Severely restrict the right to picket and peacefully protest, including organising campaigns through social media.
- Irrespective of the wishes of the employer; it will significantly reduce trade union facility time and withdraw check off union contributions in the public sector.

This Council, therefore, resolves to:-

- Call on the Government to scrap the Trade Union Bill and all associated regulation/secondary legislation.
- Commits to promote the positive role that trade unions bring to society.
- Write to the Secretary of State for Business Innovation and Science confirming the Council's unequivocal opposition to the Bill.
- Support the campaign against the unnecessary, anti-democratic and bureaucratic Trade Union Bill.
- Seek to continue its own locally agreed industrial relations strategy and will take every measure possible to maintain its autonomy with regard to facility time and the continuing use of check-off.

The motion was put and debated and adopted by the Council.

(Councillors Astbury, Atkin, Currie, Elliot, Ellis, Hoddinott, Mallinder, Pitchley, Price, Read, Rose, Sansome, Sims, Steele, Wallis, Whelbourn, Wyatt and Yasseen declared disclosable interests on the grounds that they were Trade Union members or those that received financial support from Trades Unions. A dispensation had been granted by the Standards Committee at its meeting on the 14th January, 2016 to ensure the business to be transacted was not impeded if the number of persons prohibited from participating in the business were of a great proportion.)

**127. NOTICE OF MOTION - HOUSING AND PLANNING BILL**

Moved by Councillor Emma Wallis and seconded by Councillor Maggie Godfrey

This Council notes:-

- That the Housing and Planning Bill is currently being debated in Parliament, and if passed would threaten the provision of affordable homes for rent and buy through:

    - forcing 'high-value' council homes to be sold on the open market;
    - extending the right-to-buy to housing association tenants; and
    - undermining section 106 requirements on private developers to provide affordable homes.

- That there is no commitment in the Bill that affordable homes will be replaced like-for-like in the local area.

- That whilst measures to help first time buyers are welcome, the 'starter homes' proposals in the Bill will be unaffordable to families and young people on ordinary incomes in most parts of the country. They should be built in addition to, and not in place of, genuinely affordable homes.

- That the Bill undermines localism by taking 32 new wide and open-ended powers for the Secretary over councils and local communities, including the ability to override local plans, to mandate rents for social tenants, and to impose a levy on stock-holding councils, violating the terms of the housing revenue account self-financing deal.

- That the Bill, whilst introducing some welcome measures to get to grips with rogue landlords, does not help with the high rents, poor conditions and insecurity affecting many of England's 11m private renters – including one in four families with children – and does nothing to help arrest the recent rise in homelessness.

This Council resolves:-

- To analyse and report on the likely impact of the forced sale of council homes, the extension of right-to-buy and the 'starter homes' requirement on the local availability of affordable homes.

- To analyse and report on any further likely impacts of the Bill on the local area.

- To use this information to:-

    - support the Leader of the Council in writing to the Secretary of State with our concerns about the Bill;
    - set up an urgent meeting between the Leader of the Council and the Chief Executive with the local Members of Parliament to raise our concerns;
    - make public our concerns, including by publishing the above information on the council's website and promoting through the local press.

The motion was put and debated and adopted by the Council.

**128. HEALTH AND WELLBEING BOARD**

**Resolved:- That the reports and minutes of the meeting of the Health and Wellbeing Board be adopted.**

Mover:- Councillor Watson Seconder:- Councillor Yasseen

**129. PLANNING BOARD**

**Resolved:- That the reports and minutes of the meetings of the Planning Board be adopted.**

Councillor Currie referred to application RB2015/1169 (change of use of former Council offices and erection of a three storey building to form a residential institution at Rawmarsh Hill, Parkgate for Action Housing) and as a corporate parent and, being aware that there were over 300 objections to this proposal, asked if account was taken or asked of the Looked After Children Council and Youth Cabinet as this was not an environment he would want his own child to be in.

Councillor Whelbourn also referred to the same application. He had spoken in opposition against this application on the grounds that these were young, vulnerable and homeless people who would be living in this property and in an environment which could be detrimental to their wellbeing. He understood the Planning Board had limited grounds in planning terms on which to turn an application such as this down and as a result suggested that a local alliance group be formed once Phase 1 had been completed involving the young people, Elected Members and representatives of the sheltered housing development so that mutual issues of concern could be discussed.

He asked the Deputy Leader and Chair of Improving Lives Select Commission to consider inviting Action Housing and mutual interested parties to share with Members progress of the project and how the Council could be of help and support as corporate parents to Rotherham's young people.

Councillor Watson, Deputy Leader, agreed this was a sensible approach as this project could not be objected to on planning grounds. He, therefore, suggested a further step be taken to establish a liaison committee before the first person was resident and that work take place with Action Housing, local residents and Ward Members if vulnerable young people were moving into an area to resolve any misunderstandings before they arose. As Deputy Leader he was more than happy to be involved to make the necessary arrangements for this to be set up.

Councillor C. Vines agreed fully with his Ward Colleague, Councillor Whelbourn, and pointed out that as part of the initial objection he sought further consultation as this had not be carried out properly in the first instance as young people were not involved. He believed there were

grounds in planning terms where this proposal could have been rejected because the full and proper consultation had not been undertaken.

Councillor Atkin, Chair of the Planning Board, confirmed each application would be judged on its merits and specific guidelines in planning terms had to be adhered to. The Planning Board did listen to initial objections to the application and referred on for further consultation, but made their final decision on planning grounds. Councillor Vines was issued with an apology following his request to visit one of Action Housing's other similar projects.

He explained some projects did meet with some problems, but pointed out this project did have Action Housing supervisory staff on site and who would provide support to those vulnerable young people who were placed in this environment.

Councillor Parker appreciated each application would be judged on planning grounds, but pointed out there was some leeway to set certain parameters. He described the establishment in his own ward which was supposed to have supervisory staff on site. Residents were experiencing serious problems in that area and the vulnerable young people appeared to have been abandoned by the Council. He did not want to see another area experiencing the same problems with no supervision and poor record keeping and suggested guarantees be obtained to ensure a similar problem did not occur with this project.

Councillor Atkin, Chair of the Planning Board, appreciated all the concerns raised, but pointed out these kind of issues were not grounds on which an application could be refused. These were areas of concerns for those who had responsibility and for Ward Members to act accordingly.

Councillor Currie reiterated his earlier question as to whether the Looked After Children Council had also been consulted to which Councillor Atkin was unable to comment on as he was not aware they had been written to as part of the formal consultation process.

Mover:- Councillor Atkin Seconder:- Councillor Tweed

**130. STAFFING COMMITTEE**

**Resolved:- That the reports, recommendation and minutes of the meetings of the Staffing Committee be adopted.**

Councillor Watson drew particular attention to Minute No. 17 and the progress being made in Children and Young People's Services.

He confirmed the position of an Assistant Director was to be replaced by a Deputy Director position for Children and Young People's Services and would need Council approval as it attracted a salary of more than £100,000.

However, in order to attract the right calibre of personnel this was the comparable salary that would need to be offered.

Councillor Currie referred to the performance management arrangements now in place and supported the position going forward.

Councillors Parker and Reeder asked for the difference in salary between the two positions and was advised by Councillor Watson, Deputy Leader, that in monetary terms was £85,000 Assistant Director to £120,000 Deputy Director.

It was not just the difference in salary, but these two positions were very much different and the Deputy Director was very specific and would act as Deputy for the Strategic Director and have oversight of the Directorate as a whole in his absence.

Councillor Watson, Deputy Leader, gave his assurances that in the future a further Assistant Director position would not be warranted, but was part of a specific service management structure for Children and Young People's Services.

Councillor Parker placed on record his concerns that this salary was being increased substantially whilst the Council were making 300+ redundant and over the next ten years over 30% of staff would be made redundant.

Mover:- Councillor Watson Seconder:- Councillor Alam

**131. MEMBERS' QUESTIONS TO DESIGNATED SPOKESPERSONS**

Councillor Currie asked the Representative for South Yorkshire Fire and Rescue Authority was anyone, who was a member now, on the Authority between 2012 to 2014?

Councillor Atkin confirmed there are two serving Councillors who were on the South Yorkshire Fire and Rescue Authority during the period 2012 to 2014 and continued to remain so. These being himself and Councillor Alan Buckley.

In a supplementary question Councillor Currie asked about what he believed to be the findings of an immoral payment to managers during a strike and asked what Councillor Atkin's input was and why was that decision made when the workforce were on strike.

Councillor Atkin pointed out this was all documented in the minutes of the Special Audit Committee of the South Yorkshire Fire and Rescue where it was found the Chair of the Fire Authority made that decision without recourse to other members. As a result the Audit Committee made nineteen recommendations which were being implemented.

## 132. MEMBERS' QUESTIONS TO ADVISORY CABINET MEMBERS AND CHAIRMEN

**(1) Councillor Cowles** referred to hearing mention of a study/proposal/revamp, not sure exactly what, concerning re-development of the town centre and asked would this include a study as to whether or not the town centre or any part of it has a future for re-development as a centre as we know it?

Councillor Lelliott, Advisory Cabinet Member for Jobs and the Local Economy, confirmed the study underway concerning the town centre was a refresh of the Town Centre Masterplan.

The time was right to ensure the Council had an up-to-date plan for the town centre relevant to current conditions and circumstances and fit for purpose, in terms of guiding a strategy for the next ten years. Particularly important as the role of town centres was changing right the way across the country. The refresh would provide an analysis of the town centre, an assessment of opportunities and constraints and a vision for the town centre's future that was relevant to the needs of residents and visitors. It would also include recommended proposals for the Council and its partners to action and build the confidence of investors and businesses.

In a supplementary question Councillor Cowles explained he wanted things to happen properly and referred to claims about increased spending and increased footfall in the town centre, but the problem was he could not find any evidence to support this. He had spoken to market traders and businesses and the feedback he had received was this was the worst year for some time. He had also spoken to some small accountants, estate agents and solicitors and their view was different to what we believed was happening. He did not want to see the Council getting into any large studies that would need a large cost by Consultants until there was some idea of what was required and asked for some reassurance that this information be obtained before a further cost study was entered into.

Councillor Lelliott, Advisory Cabinet Member for Jobs and the Local Economy, listened to what Councillor Cowles had to say and confirmed local businesses were spoken to, visited and consulted through the Rotherham Voice. A Town Centre Partnership Group had also been established to look at this and once the masterplan had been considered by Scrutiny it would go out for consultation and questions could be asked. This masterplan would unpin what the Council wanted to see for its town centre and was there to attract investment. Some businesses were losing trade, but every effort had to be made to encourage investors and until it was known what was required it was not possible to move forward.

**(2) Councillor Cowles,** having been asked by residents, via the Area Assembly, to help and support them with some of the issues they have in Eastwood pointed out it was clear and repeated evidence that plan A was not working and asked if there was there a plan B?

Councillor Sims, Advisory Cabinet Member for Waste, Roads and Community Safety, confirmed she attended a first session of a community drop-in for local residents in Eastwood.

There were clearly issues in Eastwood which continued to cause concern to many of the residents living there, however, there was some evidence of improvement in the incidence of fly-tipping and noise nuisance.

Officers were tasked with producing plans to deal with the entrenched problems in Eastwood. This would be a partnership plan that involved the community as well as the Council and colleagues from other agencies and would be based on a three-prong strategy including Education, Enforcement and Waste Collection/Cleansing.

Councillor Sims was also part of a multi-agency meeting looking at issues across the central area of Rotherham and this included Eastwood.

**(3) Councillor Currie** asked the Leader whether he believed in taking on board best practice to ensure the best for Rotherham Council going forward?

The Leader confirmed he would always try to do so.

In a supplementary question Councillor Currie was pleased to see the governance arrangements were being looked at with an independent overview along with support from the Centre for Public Scrutiny and the Local Government Association and a suggestion that there be more opportunity for minority parties to chair meetings. However, he asked if the recommendations coming out of the governance review indicated such a proposal would this Council be supportive.

The Leader confirmed the review was currently ongoing on a cross party basis. It was not possible to prejudge on the findings of the report, but it was his view that it did strengthen the role of minority parties within scrutiny.

**(4) Councillor Currie** asked could the Deputy Leader ensure that all the recommendations that our looked after children have forwarded to the Corporate Parenting Panel be given a place in the scrutiny process?

Councillor Watson, Deputy Leader, thanked Councillor Currie for his question.

The Corporate Parenting Panel on 19th January, 2016 had a themed agenda of ‘voice of the child’. The Panel received reports, questionnaire

responses and watched a DVD produced by our Looked After Children to provide feedback on their experiences.

The Panel was strongly of the view that all Councillors should be made aware of the views and issues for children in care and arrangements were taking place to set up an all Member Seminar to look at the voices. The offer would be repeated following the election for anyone new.

A meeting was set up with officers to ensure that their messages were fed into the scrutiny process as well.

In a supplementary question Councillor Currie referred to performance management data not getting through to Elected Members and how it was previously agreed for this to be placed on the Members' site so they could view the performance figures each month. This had been removed and the last time Improving Lives received this information was five months ago. He asked that the performance data be reinstated so that all Members could view this accordingly.

Councillor Watson, Deputy Leader, believed, but would check, that monthly performance data was circulated to all Elected Members. If this was not the case he would ensure that it was circulated.

**(5) Councillor Currie** asked whether the Advisory Cabinet Member could please reassure him that the selective licensing scheme would achieve the outcomes officers and Councillors have worked hard to implement?

Councillor Wallis, Advisory Cabinet Member for Housing, confirmed the Selective Licensing scheme implemented in May, 2015 aims to improve property and letting standards in the private rented sector in four areas of the borough. This was a five year programme and would be monitored by officers.

This will be measured by:-

- Reductions in occupier turnover of properties in the area.
- Reductions in empty property levels.
- Reductions in the level of anti-social behavior.

Selective licensing could not on its own solve all the problems in some of the more deprived communities, but was only one part of the Council's wider housing strategy and relied to some degree on partnership working.

Nevertheless, the Council were confident this would have a positive effect and early indications were that this was the case. Through the annual checks on license compliance which happen, more than eighty landlords were identified as failing to comply with the basic conditions on gas safety certificates, and through informal enforcement all but one of these was now fully compliant.

The further issues would be looked into further and prosecutions may arise as a result.

**(6) Councillor Rose** referred to the Government announcing that four year funding settlements were available to local councils and asked had the Leader looked at whether this would be beneficial to this Council?

The Leader confirmed that the Council had to rely on an estimate of what the Government grant would be often coming late in December. The intention to offer Council's a four year funding settlement was to be welcomed and would help future financial planning. However, based on the information currently available it was not possible to form a judgement as to whether signing up for a four year settlement would be in the best interests of the Council. More detail was expected on this when the Final Settlement was published during the first week in February. When this information was published the Council would be in a better position to make a recommendation.

In a supplementary question Councillor Rose asked whether this was four more years of Tory cuts and four more years of misery for the residents of Rotherham?

The Leader explained the reality was this Government had changed local government funding, which former Governments fought hard to achieve. There was an agreement that post industrial areas or those that had high levels of deprivation received higher levels of central Government funding. They had higher pressure on their children and adult services. There were greater costs associated with doing what the Council were doing in Rotherham than in other areas of the country. It was all down to fairness. The current Government had broken that agreement so it was already known that even with a four year settlement to give some certainty around planning the main grant from the Government would end by 2020 and in its place would be some arrangement around business rates so economic growth was important, but no detail was known to enable the Council to plan properly. If this deal was not right then by 2020 it would be the end of Local Government, not just in Rotherham, but across parts of the north.

**(7) Councillor Fleming** asked who was responsible for the upkeep and maintenance of the cemeteries in Rotherham?

Councillor Sims, Advisory Cabinet Member for Waste, Roads and Community Safety, confirmed burial grounds in Rotherham were owned and operated by a number of organisations.

Cemeteries and crematorium owned by the Council were operated on the Council's behalf by Dignity Funeral Services Ltd (Dignity). Dignity had a 35-year contract with the Council that commenced in August, 2008. They were responsible for the upkeep and maintenance of the Council's cemeteries at East Herringthorpe, Greasbrough, Wath, Maltby, Moorgate,

Masbrough, Rawmarsh High Street, Rawmarsh Haugh Road and Rawmarsh Greasbrough Lane.

Church of England graveyards were the responsibility of the relevant parochial church council and some closed churchyards were maintained by the Council.

Other faith groups may also operate their own burial grounds, for example St. Bede's Roman Catholic Church.

Some Parish Councils in Rotherham operate their own cemeteries

South Yorkshire Woodland Burial Ground, near Aughton, was run by an independent operator (Peace Funerals).

In a supplementary question Councillor Fleming explained he had received a number of complaints about the upkeep of Maltby Cemetery in particular. The pathways were uneven and unsafe, the trees were overhanging and there were no benches. The company already mentioned had a contract in place until 2043 so asked what safeguards were in place to hold the company to account to take up their contractual responsibilities.

Councillor Sims, Advisory Cabinet Member for Waste, Roads and Community Safety, was aware of some complaints about the issues in Maltby having been informed by a Ward Member. She had taken this up with officers who confirmed if the remedial works had not already been done they were planned to be completed in the near future.

(8) **Councillor Mallinder** asked what impact would proposed reductions in PCSOs and Police Officers have on the Council's work on Community Safety.

Councillor Sims, Advisory Cabinet Member for Waste, Roads and Community Safety, confirmed that last year there was a reduction of fourteen Police Officers in Rotherham and next year there was a £10 million funding gap.

The Police and Crime Commissioner had confirmed his intention to keep numbers at the same level for the next four years.

(9) Councillor M. Vines referred to the 8th July, 2015 Council meeting where she asked the question regarding the missing Risky Business Files. The Leader answered they were awaiting the outcome of an audit report regarding the file and she further asked whether the audit been completed yet.

The Leader confirmed the audit was not yet complete. Information relating to the audit continued to be received until October 2015 and was subsequently assessed and, where appropriate, verified by Internal Audit.

A draft report had been produced and Internal Audit were currently consulting on the draft with appropriate individuals and organisations. A final report would be produced following all relevant consultations.

In a supplementary question Councillor M. Vines asked could a copy be provided once the Leader was in receipt of a copy.

The Leader confirmed he would endeavour to do so.

**Questions 10 and 11 from Councillor Reeder** were to be answered in writing as she had to leave the meeting prior to her questions being asked.

**(12) Councillor Reynolds** referred to the last Council meeting where the fact that Rotherham had won the Great British High Street Awards 2015 was applauded and asked how did this chime with the fact that W.H. Smith was set to close on the bottom of the High Street?

Councillor Lelliott, Advisory Cabinet Member for Jobs and the Local Economy, pointed out that it was always disappointing when a store was to close. However, whilst it had been intimated that they were closing no confirmation had been received despite them being contacted.

In terms of the High Street there was ongoing work taking place and the improvements were evident for all to see. Every effort would be made to support retailers in Rotherham.

In a supplementary question Councillor Reynolds pointed out that having won this award and receiving the applause a bid by the British Heart Foundation had already been made for the building and asked did this undermine the award that was won at all with it being yet another charity shop.

Councillor Lelliott, Advisory Cabinet Member for Jobs and the Local Economy, referred to her former answer in that W. H. Smith had not confirmed its intention to close. However, it should be viewed as a positive in that a retailer was already interested in a unit that would not be left vacant.

W. H. Smith had announced that it would be closing a number of stores up and down the country as people's shopping habits had changed, but Councillor Lelliott urged everyone to shop locally and support town centres.

**(13) Councillor Reynolds** asked could he be provided with visitor profiles and numbers to Magna, as a tourist attraction, since it opened.

Councillor Lelliott, Advisory Cabinet Member for Jobs and the Local Economy, confirmed that in the 2014/15 Financial Year, Magna's visitor numbers to the tourist attraction were as follows:-

Leisure – 92,151
Education – 27,745

Total – 119,896

Further information relating to previous financial years would be provided in a written response to Councillor Reynolds.

In a supplementary question, Councillor Reynolds asked what was the analysis of any customer feedback since Magna opened as a visitor attraction.

Councillor Lelliott, Advisory Cabinet Member for Jobs and the Local Economy, did point out to Councillor Reynolds that for this level of questioning the best people to contact were Magna and their business team.

**(14) Councillor Reynolds** asked as a tourist attraction only, had Magna ever made a profit

Councillor Lelliott, Advisory Cabinet Member for Jobs and the Local Economy, explained the accounts filed with Companies House for the Magna Trust did not specifically separate out costs and income relating to the tourist attraction.

If this level of information was required Councillor Reynolds himself could access Companies House or he could ask Magna direct.

In a supplementary question Councillor Reynolds asked should Magna remain open or closed as a visitor attraction.

Councillor Lelliott, Advisory Cabinet Member for Jobs and the Local Economy, referred back to her previous answer and suggested that Councillor Reynolds contact Magna direct. Like the town centre Rotherham should be proud of Magna as it was part of the town's heritage and would soon be lost as steel works up and down the country closed. She, therefore, urged everyone to support Magna especially when it had over 120,000 visitors last year, which showed this was an attraction people were interested in.

## 133. URGENT ITEMS

There were no urgent items.

## 134. EXCLUSION OF THE PRESS AND PUBLIC

There were no confidential matters for consideration.

## 135. COMMISSIONER STELLA MANZIE, MANAGING DIRECTOR

The Mayor asked for a few moments as this was Commissioner Manzie's last Council Meeting as she left Rotherham at the end of this week.

The Mayor asked everyone to join her in thanking Commissioner Manzie for all her work here in Rotherham since February, 2015 which had contributed to the Secretary of State for Communities and Local Government currently considering plans for the return of some decision-making powers and responsibility for the running of a limited number of services being given back to local Councillors.

The Mayor presented Commissioner Manzie with a small gift as an appreciation for the work undertaken in Rotherham and invited everyone to show appreciation by a round of applause.

Commissioner Manzie responded by thanking everyone and wished the town all the best for the future.

# WRITTEN ANSWERS FOR COUNCIL

# 27TH JANUARY, 2016

## Questions from Members of the Public

**Question** - Mr. Smith asked about the type of properties being discussed?

**Answer –** These are all Council properties, they are located across the borough, but have been subject to little or no interest from prospective tenants.

Low demand properties mainly arise because of affordability issues due to some applicants being affected by the spare room subsidy. Tenants who are eligible for housing benefit are charged 14% of their rent for 1 additional bedroom and 25% of the rent for 2 extra bedrooms. This means that 3 bedroom flats for example can take longer to let.

However, low demand only applies to a relatively small proportion of our stock, as an example whilst we let approximately 1800 properties per annum, there are currently 47 properties that we would classify as low demand.

## Housing Rents 2016/17

**Question - Minute No. 118** - Councillor Currie asked about the impact on the thirty year business plan and the Medium Term Financial Strategy in relation to the report on housing rents.

**Answer** – The reduction in social housing rent by 1% per year for the next 4 years until 2019-20 has had a significant impact on the HRA 30 year Business Plan. During the period 2016-17 to 2020-21 our planned income has reduced by circa £40m. Over the lifetime of the business plan forecast income may reduce by over £900m.

Clearly this will have significant impact on the services we are able to provide to tenants. For 2016-17 the repairs and maintenance budget has been protected and will remain at £19.075m. To produce a balanced budget for 2016-17 and onwards we have reduced the 2016-17 Capital programme by £3.4m (equivalent to 10% of the Capital refurbishment budget). In addition we have also reduced management and administration expenditure in 2016-17 by £200k.

We are currently finalising revisions to the 30 year business plan to take account of this and other government policy changes affecting social housing income so that we have a business plan that is financially viable. A series of options to balance the HRA business plan budget over the medium to long term will be presented to Advisory Cabinet in March 2016.

## Mid Year Treasury Management and Prudential Indicators

**Question – Minute No. 120 –** Councillor Parker sought clarification on the inclusion of PFI Schemes on the balance sheet, why it was not included as part of this report as Rotherham was still liable for the money and asked what the actual figure was.

**Answer -** The Council's Statement of Accounts has been fully prepared on the basis of International Financial Reporting Standards (IFRS) from 1st April 2010. Whilst most amendments to the Accounts were made at that point it had been an IFRS requirement to fully reflect the financial impact of Private Finance Initiative schemes and Finance Lease Liabilities on the Council's Balance Sheet from 1st April 2009.

A further consequence of the change in accounting practice was to reflect the inclusion of these liabilities from that point within the calculation of the Council's underlying need to borrow, i.e. the Capital Financing Requirement (CFR), which is derived from the Council's Balance Sheet.

It is important to note that the Council is not required to separately borrow for these schemes as they include a "borrowing facility" within the schemes' financing, this borrowing having been undertaken by the contractor and the amount can only be changed if the contractor is able to refinance the scheme.

Whilst this borrowing remains outside normal Treasury Management activity it is a requirement to include the impact within the reporting of the Council's Prudential Indicators, etc. Therefore the borrowing estimate for 31st March 2016 of £137.600m is shown in the report presented to Council on 27th January. The figure is shown in the first table at 2.3.5, with an explanation for the increase from 31st March 2015 of £11.905m provided in the second bullet point in the paragraph preceding the table.

It may be noted that a different overall total of £139.267m is given in the report where reference is being made to the Operational Boundary (within the first table at 2.3.5) and the Authorised Limit (within the first table at 3.3). This is the estimated maximum borrowing in the year rather than the estimated position at the year end.

## Question to Advisory Cabinet Members and Committee Chairmen

**Questions 10 and 11 from Councillor Reeder:-**

**Question 10 - From Councillor Reeder to the Advisory Cabinet Member for Corporate Services and Budgeting -** In the Casey report she said that there were Councillors who were not paying their council tax. Can we now be sure that all Councillors are now paying their council tax and their arrears if they have any?

**Answer -** The Council Tax Team carry out a monthly check of outstanding Council Tax accounts for current Councillors and where there are arrears this is addressed through Legal Services and the Chief Executive. The most recent check revealed no current Councillors with Council Tax arrears.

**Question 11 - From Councillor Reeder to the Advisory Cabinet Member for Waste, Roads and Community Safety -** Following the Commissioners' roadshows I understand top of the list was the poor state of our roads. Why then am I still driving on local roads that are like Beirut? Obviously its all just a show; Labour carry on as normal and residents are treated with contempt.

**Answer -** On average £4.2m is spent every year on maintaining our roads. Maintaining our highways in a safe condition is a priority for the council, elected members and for residents. As part of the budget setting process for 2015/16 this priority was recognized and an extra £5 million was allocated to improve the unclassified estate roads in the borough over the following two years, 2015/16 and 2016/17.

Councillor Reeder will remember attending a Council seminar on the subject where the priorities for highway maintenance were discussed and agreed. As part of this process elected members were encouraged to put forward roads in their wards to be improved during the 2015/16 financial year. I hope you took the opportunity to put forward roads in your ward to be included in 2015/16 programme of works.

These elected member priorities would be considered along with the regular outcome of highways inspections to put together a programme of works to be completed during the 2015/16 financial year.

£3 million of the £5 million investment will have been spent by the end of this financial year with a further £2m allocated in the budget for 2016/17.

Investment in our highways continues to be a high priority and discussion on how we can continue to invest the significant sums needed has been part of the current budget setting process.

**Question 13 – Councillor Lelliott provided further information to Councillor Reynolds** on visitor numbers at Magna ranging back to 2001. The table below provides information on Magna visitor numbers, leisure and education, over the period 2001/02 – 2014/15.

| | |
|---|---|
| 2001/02 | 430,077 |
| 2002/03 | 242,014 |
| 2003/04 | 165,234 |
| 2004/05 | 156,487 |
| 2005/06 | 132,855 |
| 2006/07 | 154,843 |
| 2007/08 | 135,678 |
| 2008/09 | 111,047 |
| 2009/10 | 137,828 |
| 2010/11 | 124,959 |
| 2011/12 | 124,751 |
| 2012/13 | 130,429 |
| 2013/14 | 115,385 |
| 2014/15 | 119,896 |

**CABINET/COMMISSIONERS'**
**DECISION MAKING MEETING**
**Monday, 15th February, 2016**

Present:- Councillors: Read (in the Chair), Alam, Lelliott, Roche, Sims, Wallis, Watson and Yasseen.

Commissioners: Kenny, Newsam and Ney.

An apology for absence was received from Commissioner Sir Derek Myers.

**13. DECLARATIONS OF INTEREST**

Councillor Wallis declared a personal interest in Minute No. 16 (Local Welfare Provision 2016/17) on the grounds that she was a saver with LASER Credit Union and left the room whilst that item was discussed.

**14. QUESTIONS FROM MEMBERS OF THE PUBLIC**

Mr. Fawcus asked what the drive of the Labour Party in Rotherham was in relation to children and young people given what had happened over the last year or so. Youth clubs, branch libraries and early learning centres were being lost and Herringthorpe Playing Fields were losing their attraction for sport. In addition, it would appear that school crossing patrol wardens were superfluous and if this was the case why had money been wasted in the past.

The Leader confirmed the budget proposals, which had been out for consultation, identified the position the Council was facing with the Government cuts which required further savings of £21 million this year and a further £48 million over the next three years.

Every effort was being made to maintain some of the essential services and an additional £11 million would be assigned to Children's Services. This would give priority to vulnerable children, which was expected. In terms of the school cross patrol wardens, where the national threshold was met in terms of safety these would be maintained, but where this was below the threshold criteria academy schools were being asked to contribute towards funding and conversations were currently taking place.

If further information was required about Herringthorpe Playing Fields and youth services, officers would be happy to discuss this further.

In a supplementary question Mr. Fawcus again referred to the school crossing patrol wardens and asked if the Labour Party in Rotherham would be including in their manifesto the importance of ensuring children were safe crossing the road, rather than waiting for an accident to happen.

The Leader appreciated and noted the comments made and confirmed that where it was considered a high risk situation a school crossing patrol warden would be maintained, but that consideration was being given to funding by schools.

**15. MINUTES OF THE PREVIOUS MEETING HELD ON 18TH JANUARY, 2016**

Consideration was given to the minutes of the first meeting held on 18th January, 2016.

Resolved:- That the minutes be approved as a correct record, subject to Councillor Steele, Chair of the Overview and Scrutiny Management Board being included in the list of apologies.

**16. LOCAL WELFARE PROVISION 2016/17**

Consideration was given to a report presented by Councillor Read, Leader of the Council, which detailed how under the provisions of the Welfare Reform Act 2012 (c. 5), the crisis loans and community care grants components of the Discretionary Social Fund were abolished from April 2013. Local Authorities were then provided with grant to provide Local Welfare Provision (LWP) for two years up to March 2015.

Data collected during 2015/16 for the “Food in Crisis” contract confirmed that both demand and quality criteria continued to be met with 1500 people having needed to use the service over the last six months.

Steve Eling, Policy and Partnerships Officer, pointed out that whilst data had been collected to meet response demand, there needed to be a more strategic context in looking forward through planned strategic welfare support, better integrated with other service provision and focused on improving outcomes for those in need of support. Work had commenced through a partnership working group to achieve this and further reports drawing on this would follow during 2016/17 to include recommendations for future local welfare provision.

Councillor Watson, Deputy Leader, offered his support to the proposals as there was a direct link between poverty and child protection, which would only contribute to Rotherham becoming a child centred borough.

Resolved:- (1) That the contract with FareShare Yorkshire for “Food in Crisis” provision be confirmed and an extension to the contract be issued to March 2017.

(2) That LASER Credit Union be provided with a grant of £60,000 to continue the provision of crisis loans to residents suffering hardship for the year 2016/17. The provisions for awarding of loans and reporting to the Council to remain as in 2015/16.

(3) That the Council enter into discussions with Voluntary Action Rotherham (VAR) regarding the use of the £10,000 contingency budget. This funding (offered on a one off basis) would be to help to support a complementary small grants scheme alongside Food in Crisis, and the co-ordination of support to the "Food in Crisis Partnership" work. A separate contract would be drawn up for this funding with VAR, should it be supported.

(4) That further reports be presented during 2016/17 to establish future strategic direction to tackle poverty in Rotherham, making best use of the data being collected and informing recommendations for local welfare provision in future years whilst ensuring cost benefit ratio and best value.

(Councillor Wallis declared a personal interest on the grounds that she was a saver with LASER Credit Union and left the room whilst that item was discussed)

**17. ROTHERHAM TRANSPORT STRATEGY**

Consideration was given to a report presented by Councillor Lelliott, Cabinet Member for Jobs and the Local Economy, providing details of the Rotherham Transport Strategy (2016-2026) and the policy framework which set out the strategic approach and the vision and management of transport in Rotherham.

The Strategy addressed fundamental challenges in Rotherham to support economic recovery in the borough and the impact on safety, health and climate change.

The Strategy also explained how the Council would build on its strong transport policy direction set out internationally, nationally and locally in the Sheffield City Region. It featured proposals to continue to improve the safety and condition of the road network in Rotherham and to support sustainable and affordable transport modes and ensure that fairness, safety and sustainability would be embedded in the transport projects delivered.

Transport projects would work to deliver the aims of the Rotherham Growth Plan and those of the Sheffield City Region. The Strategy sets out a series of challenges, objectives, themes and actions that would contribute to the overall vision that by 2026 Rotherham would enjoy sustainable growth and sustainable travel choices.

As a result of public and stakeholder consultation changes were made to the Strategy, but these did not alter the fundamental objectives.

There was some uncertainty within the Strategy as it was reliant on future funding and the Sheffield City Region devolution deal.

Caroline Bruce, Interim Strategic Director of Environment and Development Services, confirmed the Strategy had been subject to full consultation and reviewed by the Improving Places Select Commission.

Councillor Read, Leader of the Council, echoed the comments around the devolution deal and the new source of funding potentially to make decisions around transport strategic infrastructure more locally and more responsive, which was good news for Rotherham.

**Recommended:- (1) That the Rotherham Transport Strategy 2016-2026 be adopted by Council on 2nd March, 2016.**

**(2) That internal consultation completed prior to public and stakeholder consultation and the comments from both incorporated where appropriate be noted.**

**18. ROTHERHAM'S HOUSING STRATEGY 2016-19**

Consideration was given to a report presented by Councillor Wallis, Cabinet Member for Housing, which detailed the extensive consultation which had taken place with staff, partners, residents and other stakeholders with over 2,000 responses. Members have been engaged in the review and refresh of the Housing Strategy with a Members Seminar held on 4th February 2015.

The Strategy had now been refreshed and the new draft, which covered the period between January, 2016 and December, 2018, was based on a sound evidence base and reflected the views of people living and working in Rotherham under five themes:-

- Increasing the number of homes – **housing growth.**
- Ensuring affordable rented/**social housing** is available for those who can't afford or don't want to buy a home.
- Improving quality in the **private rented sector**, the fastest growing tenure in Rotherham.
- Increasing opportunities for first time buyers and other households seeking **affordable home ownership.**
- Ensuring a wide range of **specialist housing** that is suitable for older people and other specific groups.

The draft Housing Strategy provided residents with a clear and accessible document setting out how the Council was responding to the various housing challenges and what it intended to do. It also pulled together in a single document, the key housing aims and objectives from other more detailed plans.

The Strategy had been written at a time that could herald the most significant changes for housing in a generation. The Housing and Planning Bill was progressing through the parliamentary system and if passed would bring enormous changes to planning, house building and

social housing systems. Amidst the undoubted opportunities elements of the Bill provide, there were also very real challenges ahead, particularly for social housing system, which would make it increasingly difficult for people on modest incomes to afford suitable rented accommodation.

The Council will have to operate with a much lower level of resources than in previous years due to Government public spending cuts, and the social rent reduction which further reduced the Housing Revenue Account capacity to deliver housing growth and other key services. This would be compounded by the Enforced Sale levy which Government intends to impose on local authorities to pay for housing association Right to Buy discounts. The Council must, therefore, work in innovative and entrepreneurial ways with partners to deliver on the housing growth ambitions.

Dave Richmond, Assistant Director for Housing, Asset Management and Neighbourhoods, further emphasised the Council was having to work differently and embrace working with the private sector much more in order to find ways to deliver the objectives.

Commissioner Ney noted the theme on housing growth did not include reference to expectations on developers in relation to affording housing and mixed community tenure, nor did it include whether Council land would contribute or used as leverage for affordable housing to facilitate this.

Dave Richmond, Assistant Director for Housing, Asset Management and Neighbourhoods, confirmed some of the points were picked up as part of Section 3 for social housing. However, it was also noted that the Housing and Planning Bill could make significant changes to the Section 106 Agreements and could lead to further implications on social housing for the Council.

Councillor Steele, Chair of the Overview and Scrutiny Management Board, sought clarification on the number of houses sold through Right to Buy and how much revenue was allocated to the Council from the sale of housing stock and was advised due to the Right to Buy promotion by Government numbers had rapidly increased to around 130 per annum with the Council keeping only 20-30% of the sale value with the rest returned to the Treasury. As indicated previously the Housing Planning Bill would have a significant impact on the affordability of homes and could lead to increased Right to Buy requests. This would impact significantly on the thirty year business plan with further difficult challenges.

Councillor Roche, Cabinet Member for Adult Social Care and Health, endorsed the report and in doing so highlighted the additional pressures as a result of an aging population, which could be alleviated with good quality housing options.

**Recommended:- That the Rotherham Housing Strategy 2016-2019 be adopted by Council on 2nd March, 2016.**

**19. REVENUE BUDGET MONITORING REPORT FOR THE PERIOD ENDING 31ST DECEMBER 2015**

Consideration was given to a report presented by Councillor Alam, Cabinet Member for Corporate Services and Budgeting, which detailed the December Revenue Budget Monitoring report, currently showing a forecast outturn of £8.816m (+4.3%) above budget. The forecast outturn position had deteriorated by £197k since the November monitoring report due to additional needs-led demand pressures within Children's services (£398k), partially mitigated by reduced forecast spend in Neighbourhoods and Environment and Development Services.

A moratorium on non-essential spend was in operation and additional management action was taking place on how best to bring this overspend into line.

Stuart Booth, Interim Strategic Director for Finance and Corporate Services, confirmed a further meeting of the Cabinet and Commissioners was scheduled for Tuesday, 23rd February, 2016 to discuss the budget. Every endeavour would be undertaken to being spending back into line to avoid any further uncertainty and impact on future plans.

Councillor Watson, Deputy Leader, described the work taking place in Children and Young People's Services, following the impact of the Casey and Jay reports and the improvements taking place. The service was moving in the right direction and future monitoring reports would reflect this.

This was also endorsed by Ian Thomas for Strategic Director of Children and Young People's Services, who confirmed that there is a correlation between poor quality and high cost and that resolving both elements of the equation would take time to address. However much work was taking place within constraints to bring costs down.

Councillor Roche, Cabinet Member for Adult Social Care and Health, described the demand pressures associated with direct payments and the high cost packages of residential care.

In terms of Public Health the reduction in the Public Health Grant was noted with a decision to be made on whether or not to transfer £400,000 to reserves.

Graeme Betts, Interim Strategic Director for Adult Care and Housing, highlighted the drive and the moves in the right direction to address the difficulties with direct payments and the introduction of a task group identifying the challenges to address the high cost care packages.

Councillor Steele, Chair of the Overview and Scrutiny Management Board, referred to the bi-monthly report monitoring report presented to scrutiny looking specifically at spend in this area.

Resolved:- (1) That the forecast overspend and the need to maintain continuous close scrutiny of spend to significantly mitigate the current forecast overspend be noted. To facilitate this a significant corporate overview of all spend between now and the end of March would be undertaken through the Strategic Leadership Team.

(2) That any 2016/17 budget savings proposals be implemented at the earliest appropriate opportunity (i.e. subject to clearance through appropriate approval mechanisms) to both guarantee full year effect of the saving in 2016/17 and contribute to mitigating the forecast overspend in 2015/16.

**20. BUDGET 2016-17 - UPDATE**

Consideration was given to a report presented by Councillor Alam, Cabinet Member for Corporate Services and Budgeting, which provided an update on the Budget for 2016/17 and initial feedback from the public and partners on the Directorate Budget proposals currently out for comment on the Council's website.

Stuart Booth, Interim Strategic Director of Finance and Corporate Services, confirmed the Final Local Government Settlement had now been received and was the same as that indicated in the Provisional Settlement received on 17th December 2015.

Consultation on the budget by the public and partners closed on the 12th February, 2016 and at that point 65 responses had been received, along with a petition against the closure of the Biological Records Centre.

Councillor Read, Leader of the Council, confirmed a piece of work was now in progress looking at these responses and highlighted a few areas where suggestions had been made.

Resolved:- That the update on the final Local Government settlement and the initial public and partner feedback received in respect of the Budget Proposals currently out to comment be noted.

**21. CHESTERFIELD CANAL - PREPAYMENT OF THE COUNCIL'S MAINTENANCE COSTS TO THE CANAL AND RIVER TRUST**

Consideration was given to a report presented by Councillor Alam, Cabinet Member for Corporate Services and Budgeting, which detailed the proposals for an early payment in full of maintenance costs associated with the Chesterfield Canal and the cessation of the Council's liability for future unforeseen maintenance costs.

Caroline Bruce, Interim Strategic Director for Environment and Development Services, recommended Option 3 which was to seek early exit from the arrangement through a prepayment of the maintenance sum. Under the terms of the negotiated settlement, the sum had been discounted at 4%, so that the Council would have to pay a sum of £416,943, an estimated saving of £100,768. The terms of the prepayment were favourable to the Council, given the discount rate that has been applied, relative to current interest rates.

**Commissioner Kenny Resolved**:- (1) That the proposal be approved for the current and future maintenance costs of £517,711 payable by Rotherham MBC to the Canal and River Trust, over the period 2014/15 to 2023/24, be prepaid in full, for an agreed sum of £416,943.

(2) That the agreement of a second Supplemental Agreement between Rotherham MBC and the Canal and River Trust, to document the prepayment of the maintenance contributions by the Council, the ongoing maintenance obligations of the Canal and the River Trust and the cessation of the Council's future maintenance liabilities, be approved.

(As this is a Commissioner decision it is not subject to 'call in')

**22. REQUEST FOR EXEMPTION TO EXTEND THE AGREEMENT FOR THE TRANSPORT OF CHILDREN, YOUNG PEOPLE AND VULNERABLE ADULTS**

Consideration was given to a report presented by Councillor Roche, Cabinet Member for Adult Social Care and Health, which detailed the current framework agreement for the transport of children, young people and vulnerable adults which commenced in April 2013 with a duration of four years.

Within the framework agreement the contract allowed for two twelve month extension periods after the first two years. The first one year extension period option was exercised in December, 2014 for the period April, 2015 to March, 2016; the second extension period available was from April, 2016 to March, 2017.

It was important to procure future service provision under an integrated approach to transport which would be considered when the procurement process for the new routes began in May/June 2016 and would follow a similar vetting process for licensed taxi drivers which was welcomed by service areas.

Resolved:- (1) That the exemption from Standing Orders be approved.

(2) That the extension to the Home to School Transport contract for a second extension period contract period from April 2016 to March 2017 be approved.

## 23. PROCUREMENT OF WASTE COLLECTION VEHICLES

Consideration was given to a report presented by Councillor Sims, Cabinet Member for Waste, Roads and Community Safety, which referred to the current fleet of Waste Collection Vehicles being procured in March 2010 from the maintenance provider Translinc on a five year Vehicle and Maintenance Contract ('the principal contract').

This primary lease expired at the end of March 2015 and provision was made within the 'principal contract' for secondary leases by agreement, the vehicles have been extended under this provision until the new fleet of vehicles was procured.

The proposal was, therefore, to replace only the vehicles for domestic (residual) waste and commercial waste amounting to sixteen vehicles - twelve front line vehicles, two trade waste vehicles and two spares, with the option of a further four vehicles within two years.

David Burton, Assistant Director for Streetpride, confirmed the preferred supplier, based on quality and price, was Dennis Eagle Limited.

**Commissioner Ney Resolved**:- (1) That the contract for the supply of 16 No. replacement refuse collection vehicles is awarded to Dennis Eagle Ltd.

(2) That the procurement of the vehicles be progressed through an Operating Lease arrangement with Siemens Financial Services Ltd. for an initial term of five years.

(3) That the Strategic Director of Regeneration and Environment be given delegated authority to approve the acquisition of up to 4 No. refuse vehicles within a two year period under the terms of the framework agreement to meet the service requirements of the Council.

(As this is a Commissioner decision, it is not subject to 'call in')

## 24. EXCLUSION OF THE PRESS AND PUBLIC

That under Section 100(A) 4 of the Local Government Act 1972, the public be excluded from the meeting for the following item(s) of business on the grounds that it/they involve(s) the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12(A) of such Act indicated, as now amended by the Local Government (Access to Information) (Variation) Order 2006 (information relates to finance and business affairs).

**25. PROCUREMENT OF ANNUAL SOFTWARE SUPPORT AND MAINTENANCE**

Consideration was given to a report presented by Councillor Alam, Cabinet Member for Corporate Services and Budgeting, which detailed the need for a continued support and maintenance agreement with the current software supplier, which was to be aligned from 1st April, 2016 to 30th September, 2019.

Maintaining the reliability of the system was essential to achieve excellent customer service in the administration of benefits, ensuring efficient billing of Council Tax and Non Domestic Rates and maximising income collection.

Exemption from Standing Orders for procuring this system software support and maintenance was sought for the period up to 30th September 2019 as the provision of the document management and workflow software support could only be provided by the one supplier.

Resolved:- That the contract for the purchase from Civica of annual support and maintenance for the Civica Electronic Document management and workflow system be approved and exempt from the provisions of Standing Order 48.2 (requirement to invite between three to six tenders for contracts with a value of £50k or more) for the period up to 30th September, 2019.

**26. NEW HARDSHIP RELIEF APPLICATION**

Consideration was given to a report presented by Councillor Alam, Cabinet Member for Corporate Services and Budgeting, which detailed an application for hardship relief.

It was noted the Council had a duty under Section 49 (1) of the Local Government Finance Act 1988 to consider remitting or reducing rates where a ratepayer would sustain hardship if a remission or reduction was not granted and it would be reasonable to do so after taking regard of the interest of the Council tax Payers.

Government guidelines advised that hardship relief should only be granted in exceptional circumstances and that such a relief must only be considered for periods where there was clear evidence of the hardship being sustained.

Resolved:- That the application for hardship relief be refused in accordance with the policy agreed by Cabinet on 24th April, 2013.

**CABINET/COMMISSIONERS'**
**DECISION MAKING MEETING**
**Tuesday, 23rd February, 2016**

Present:- Councillors: Read (in the Chair), Alam, Lelliott, Roche, Sims, Wallis, Watson and Yasseen.

Commissioners: Newsam and Ney.

Apologies for absence were received from Commissioner Kenny and Commissioner Sir Derek Myers.

## 27. DECLARATIONS OF INTEREST

There were no Declarations of interest to report.

## 28. QUESTIONS FROM MEMBERS OF THE PUBLIC

There were no questions from members of the public.

## 29. REVENUE BUDGET SETTING REPORT 2016/17

Consideration was given to a report introduced by Councillor Read, Leader of the Council, which proposed a Revenue Budget for 2016/17 based on the outcome of the Council's Financial Settlement, budget consultation and the consideration of Directorate budget proposals through the Council's formal Budget and Scrutiny process (Overview and Scrutiny Management Board).

Although the report contained proposals to balance the revenue budget for 2016/17, significant further early work needed to be undertaken in the new financial year in order to bring forward further proposals for Member/Commissioner consideration to enable the Council to establish a clear and sustainable financial plan for addressing the estimated financial gap that remained over the next two years (2017 to 2019). It would also need to start longer term planning for the period up to 2020 given the Government's four-year settlement offer and the proposed fundamental changes in Local Government finance thereafter.

This report also provided feedback from public and partners in relation to the budget proposals in the light of their recent publication on the Council's website for consultation until 12th February, 2016, as well as the extensive programme of engagement on the public priorities for the Council during 2015 which informed the "Views from Rotherham" report.

In addition, the Leader referred to items which had also been considered as part of the budget process which included looking at the best financial arrangements to protect frontline services, changes to capital reprofiling, PFI debt and Council Tax increase of 1.95% in addition to the 2% Adult Social Care precept which would maximise spending.

As a result of public consultation there was to be a further look at two service areas, which included the town centre visitor centre and school crossing patrol wardens, both of which were deferred for a year.

In terms of budget process, as expected, funding to Children and Young People's Services had increased by £12 million with a further £50k being added to long term support for child sexual exploitation. The R.i.D.O. budget had also been protected in order to match the objective in growing jobs and maximising business rates as had Streetpride budgets as a result of direct requests from the public.

Councillor Alam, Cabinet Member for Corporate Services and Finance, also recommended the report as this set out the estimated budget position for 2017/18 and 2018/19 and was read in conjunction with the HRA budget report (agreed at full Council on 27th January, 2016), the Capital Strategy and the Treasury Management Strategy.

As part of the budget setting process it was suggested that a review be undertaken of Habershon House Outdoor Education Centre due to the projected income not meeting the full cost of providing the facility. This review would be reported to Cabinet in June and a decision made on its future operation based on a Value for Money assessment.
Stuart Booth, Interim Strategic Director of Finance and Customer Services, as Section 151 Officer, reported on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provided for.

The budget setting process had been challenging given the unprecedented scale of the ongoing funding reductions required and the timescales in which to achieve them in formulating a robust and sustainable budget and preserving a financially resilient overall financial position. The report recognised the need for the Council to become more self-sufficient in the future with more revenue support coming from council tax, business rates, fees and charges and the increasing importance of growing the local economy with Rotherham's involvement in the City Region.

There was a clear need for redefining the relationship with citizens moving forward and the report recognised the need for increasing council tax and the introduction of the new Adult Social Care precept.

In terms of the reserves it was noted the Council held a level of uncommitted reserves that could be drawn on, if required, to support the 2016/17 Budget and to give time for serious action to be taken to bring the Budget back into balance, so as to ensure its sustainability for the future. The review undertaken, incorporating a risk assessment of each reserve, guided the decision regarding the prudence of the level of reserves available to draw upon, if necessary, during 2016/17. The Council's reserves, based on the latest monitoring, are expected to be £84.115m at 31st March, 2016.

Commissioner Ney offered formal advice to the proposals in relation to the revenue budget for 2016/17 and the Capital Programme 2016/17 to 2020/21 which had emerged from the work of the Budget Working Group which involved the Leader, the Cabinet Members and Commissioners.

This approach allowed the Council to make sufficient progress in its arrangements for financial management of the authority to achieve an Outline Medium Term Financial Strategy and a Capital Strategy and to make proposals to balance the budget in 2016/2017.

In acknowledging this progress (in the context of very challenging financial circumstances) which would enable the Cabinet to make decisions and recommend to full Council a revenue budget and the council tax level for 2016/17. The Commissioners considered it important that the further work was needed and highlighted this to the Cabinet as formal advice.

In particular, the Cabinet was asked to ensure that further progress was made on the following:-

- Developing the MTFS for the full four year period, ensuring synergy with the Growth Plan and moving on from an annualised approach to budget setting.
- Utilising a themed corporate, strategic and crosscutting approach to drive out further efficiencies and avoid 'salami slicing'.
- Moving towards greater sustainability in balancing the budget which avoids depletion of reserves or the danger of creating a financial precipice.
- Prioritising work on those measures used to balance this budget but which are not yet fully developed and may be challenging, including the review of staff terms and conditions.

Councillor Read, Leader of the Council, welcomed the formal advice from Commissioner Ney on behalf of the Commissioners and accepted it in its entirety.

Councillor Steele, Chairman of the Overview and Scrutiny Management Board, expressed his concern, however, with the collection of business rates, especially if there was uncertainty in the economy and the importance was stressed by Commissioner Ney on the need to dovetail the Medium Term Financial Strategy with the Growth Plan as this would begin to delivery greater certainty in the business rates environment. This would identify what could and could not be relied upon and some of the uncertainty would be removed as the Council moved to a four year budget position.

**Recommended:- That the Council be asked to:-**

- **Approve as set out in this report the proposals for a balanced revenue budget for 2016/17 and the impact of the budget proposals in 2017/18 and 2018/19.**

- **Approve the investment proposals as set out in the budget report (Appendix 2) noting that some of this investment is required to address inherent budget pressures and some is required to provide scope for growth and improvement.**

- **Approve the proposed use of Reserves as set out in this report.**

- **Note and accept the comments and advice of the interim Strategic Director of Finance and Customer Services (Section 151 Officer), provided in compliance with Section 25 of the Local Government Act 2003, as to the robustness of the estimates included in the Budget and the adequacy of reserves for which the Budget provides.**

- **Note the consultation feedback from the public and partners following publication of Directorate budget savings proposals on the Council's website for public comment through to 12th February 2016 (Section 5 of this report and Appendix 3).**
- **Approve the proposed use of Capital Receipts to fund the first £2m of severance costs arising from service reconfiguration to deliver efficiencies and improved outcomes for clients and residents. See Efficiency Strategy (Appendix 4).**

- **Note the planned review of Habershon House Outdoor Education Centre which will report back to Cabinet in June 2016 (Paragraph 3.27).**

- **Approve:-**

  - **An increase in the basic amount of Council Tax (i.e. the Borough's element excluding precepts) of 3.95% - this being comprised of a 2% precept for Adult Social Care services (a new precept announced in the provisional settlement in December 2015 for Authorities with Adult Social Care responsibilities) and a 1.95% increase in the Council's own basic level of Council Tax.**

  - **That the precept figures from South Yorkshire Police Authority, South Yorkshire Fire and Rescue Authority and the various Parish Councils and Parish Meetings within the Borough be incorporated, when known, into the recommendation to the Council on 2nd March, 2016.**

**30. CAPITAL PROGRAMME BUDGET SETTING REPORT - 2016/17 TO 2020/21**

Consideration was given to a report presented by Councillor Alam, Cabinet Member for Corporate Services and Budgeting, which detailed the Council's new Capital Strategy and the proposed Capital Programme for the period 2016/17 to 2020/21 and to confirm that there were adequate levels of resources available to finance the Capital Programme.

Cabinet were, therefore, asked to approve the Capital Strategy and the Capital Programme before formal approval by full Council at the meeting on 2nd March, 2016.

The Capital Strategy and proposed Capital Programme 2016/17 to 2020/21 set out the Council's future capital investment plans, which would ensure that investment decisions were clearly aligned with the Council's strategic priorities and vision for Rotherham.

The Strategy set out the seven Golden Rules for determining which projects would be approved for inclusion in the Capital Programme. These rules prescribed the governance and approval procedures that must be followed and the framework under which the Capital Programme would operate.

The report also illustrated the total Capital Programme, its arrangements, and the delivery of the key strategic projects, which included various schemes including £17 million for the town centre, £73 million for improving highways and infrastructure, £151 million for housing and neighbourhood investment and £43 million on highway schemes through the Sheffield City Region.

Councillor Read, Leader of the Council, recommended this breakthrough process which ensured the Strategy was aligned to political priorities and the vision and that what was recommended for delivery was delivered. He also illustrated the inclusion of £13 million for invest to save schemes, £9 million of buildings critical condition works, £10 million on ICT critical condition works, £10 million additional highway resurfacing works and the purchase of 150 additional homes through the HRA.

Stuart Booth, Interim Strategic Director of Finance and Corporate Services, reiterated the breakthrough with the new Capital Strategy, which clearly articulated how it was affordable for the Borough and aligned to the priorities. The Council was working with the Sheffield City Region to drive forward growth and investment in the region.

The detailed Capital Strategy and Capital Programme stemmed from the priorities and careful consideration had been given to the maximum use of capital receipts and prudential borrowing to support the funding of the Programme.

Governance of the Programme would ensure best practice and HM Treasury guidance was followed.

Commissioner Ney informally advised the proposed Capital Programme 2016/17 to 2020/21 represented a significant investment predominantly in construction activity and suggested the Council should explore the scope to utilise its procurement process within the construction sector and its partnerships with developers to deliver additional benefit through apprenticeships, skills and pathways to employment for Rotherham residents and young people in the sector.

**Recommended:- That Council be asked to approve the new Capital Strategy, as presented in Appendix A and Capital Programme, as presented in Appendix B (for £279.095m in the period 2016/17 to 2020/21), which would require prudential borrowing of £53.602m to fund non-HRA schemes over the five year period, for which provision had been made in the revenue budget for the associated financing costs.**

**31. PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2016/17 - 2018/19**

Consideration was given to a report presented by Councillor Alam, Cabinet Member for Corporate Services and Finance, which detailed how the Local Government Act 2003 and supporting regulations required the Council to 'have regard to' the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice and prepare, set and publish prudential indicators and treasury indicators that ensured the Council's capital expenditure plans were affordable, prudent and sustainable in the long-term.

The Prudential Indicators and Treasury Management Strategy together formed part of the process which ensured the Council met the balanced budget requirement under the Local Government Finance Act 1992.

The report, therefore, set out the proposed Treasury Management Strategy Statement and Borrowing Limits for 2016/17 and Prudential Indicators for 2016/17 to 2018/19 and had been presented to Audit Committee in furtherance of its delegated role of scrutiny on Treasury matters, including the Treasury Management Strategy and related policies.

In accordance with the Prudential Code for Capital Finance, the Secretary of State's Guidance on Local Government Investments, CIPFA's Code of Practice for Treasury Management in Local Authorities and with Council policy, the (Interim) Strategic Director of Finance and Customer Services was required, prior to the commencement of each financial year, to seek the approval of the Council to the following:-

i. The Prudential Indicators and Limits for 2016/17 to 2018/19.

ii. A Minimum Revenue Provision (MRP) Statement which set out the Council's policy on MRP.

iii. An Annual Treasury Management Strategy in accordance with the CIPFA Code of Practice on Treasury Management including the Authorised Limit.

iv. An Investment Strategy in accordance with the Department for Communities and Local Government (CLG) investment guidance.

Albeit a technical and complex report the key messages were:-

a. Investments – the primary governing principle would remain **security** over return and the criteria for selecting counterparties reflected this. Cash available for investment would remain low, resulting in low returns;

b. Borrowing – overall, this would remain fairly constant over the period covered by this report and the Council would remain under-borrowed against its borrowing requirement due to the higher cost of carrying debt. New borrowing would only be taken up as debt matures; and,

c. Governance – strategies were reviewed by the Audit Committee with continuous monitoring which included Mid-Year and Year End reporting.

Stuart Booth, Interim Strategic Director for Finance and Corporate Services, confirmed the strategies are largely unchanged from previous years, but gave his assurance that; the prudential indicators required by statute fully took account of the Council's Capital plans; the revenue implications were fully contained within the proposed Revenue Budget; with regard to investments the governing principle continued to be security over return; the Council would remain under-borrowed against the borrowing requirement due to the higher cost of carrying debt; and governance of the strategies was through regular reporting to the Audit Committee.

**Recommended:- That Council be asked to:-**

**i. Approve the prudential indicators and limits for 2016/17 to 2018/19 contained in the report.**

**ii. Approve the Minimum Revenue Provision Policy Statement contained in Appendix A which sets out the Council's policy.**

**iii. Approve the Treasury Management Strategy for 2016/17 to 2018/19 and the Authorised Limit Prudential Indicator.**

**iv. Approve the Investment Strategy for 2016/17 to 2018/19.**

Rotherham Metropolitan Borough Council

Public Report
Council Meeting

**Summary Sheet**

**Council Report – 2nd March, 2016**

**Title: Revenue Budget Setting Report 2016/17**

**Is this a Key Decision and has it been included on the Forward Plan?**

Yes

**Strategic Director Approving Submission of the Report**

Interim Strategic Director of Finance and Customer Services – Stuart Booth

**Report Author(s)** Pete Hudson – Chief Finance Manager

**Ward(s) Affected:** All

**Executive Summary**

This report proposes a Revenue Budget for 2016/17 based on the outcome of the Council's Financial Settlement, budget consultation and the consideration of Directorate budget proposals through the Council's formal Budget and Scrutiny process (Overview and Scrutiny Management Board).

It also sets out the estimated budget position for 2017/18 and 2018/19. This report should be read in conjunction with the HRA budget report (agreed at full Council on 27th January 2016), the Capital Strategy and the Treasury Management Strategy (included on this agenda). Although this report contains proposals to balance the revenue budget for 2016/17, significant further early work needs to be undertaken in the new financial year in order to bring forward further proposals for Member/Commissioner consideration to enable the Council to establish a clear and sustainable financial plan for addressing the estimated financial gap that remains over the next two years (2017 to 2019). It will also need to start longer term planning for the period up to 2020 given the Government's four-year settlement offer and the proposed fundamental changes in local government finance thereafter.

This report also provides feedback from both public and partners in relation to the budget proposals in the light of their recent publication on the Council's website for consultation until 12th February 2016, as well as the extensive programme of

engagement on the public priorities for the Council during 2015 which informed the "Views from Rotherham" report (Appendix 3).

**Recommendations**

That Council:-

- Approves as set out in this report the proposals for a balanced revenue budget for 2016/17 and the impact of the budget proposals in 2017/18 and 2018/19
- Approves the investment proposals as set out in the budget report (Appendix 2) noting that some of this investment is required to address inherent budget pressures and some is required to provide scope for growth and improvement.
- Approves the proposed use of Reserves as set out in this report
- Notes and accepts the comments and advice of the interim Strategic Director of Finance and Customer Services (Section 151 Officer), provided in compliance with Section 25 of the Local Government Act 2003, as to the robustness of the estimates included in the Budget and the adequacy of reserves for which the Budget provides.
- Notes the consultation feedback from the public and partners following publication of Directorate budget savings proposals on the Council's website for public comment through to 12th February 2016 (Section 5 of this report and Appendix 3)
- Approves the proposed use of Capital Receipts to fund the first £2m of severance costs arising from service reconfiguration to deliver efficiencies and improved outcomes for clients and residents. See Efficiency Strategy (Appendix 4)
- Notes the planned review of Habershon House Outdoor Education Centre which will report back to Cabinet in June 2016 (Paragraph 3.27)
- Approves:
    - An increase in the basic amount of Council Tax (i.e. the Borough's element excluding precepts) of 3.95% - this being comprised of a 2% precept for Adult Social Care services (a new precept announced in the provisional settlement in December 2015 for Authorities with Adult Social Care responsibilities) and a 1.95% increase in the Council's own basic level of Council Tax.
    - That the precept figures from South Yorkshire Police Authority, South Yorkshire Fire and Rescue Authority and the various Parish Councils and Parish Meetings within the Borough be incorporated, when known, into the recommendation to the Council on 2nd March 2016.

**List of Appendices Included**

Appendix 1 – Summary of Directorate Budget Savings Proposals 2016/17 – 2018/19
Appendix 2 – Summary of Investment Proposals 2016/17 – 2018/19
Appendix 3 – Feedback from the public and partners on the Budget Proposals 2016/17 to 2018/19.
Appendix 4 – Efficiency Strategy showing proposed use of Capital Receipts
Appendix 5 – Updated Outline Medium Term Financial Strategy 2016 – 2019

**Background Papers**

- Council Tax Base Report 2016/17 – Council 27th January 2016
- Housing Rents 2016/17 – Council 27th January 2016
- Final Local Government Financial Settlement – 8th February 2016

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**

Overview and Scrutiny Management Board (OSMB) meetings – 23rd October 2015, 26th November 2015, 15th January 2016, 22nd January 2016, 12th February 2016.
Commissioner Manzie Decision Making meetings – including those on 30th November 2015 and 28th January 2016 (and letter dated 29th January 2016) considering the formal budget consideration reports of OSMB.
Cabinet/Commissioners' Decision Making Meeting – 23rd February, 2016
Full Council – 2nd March 2016

**Council Approval Required:** Yes

**Exempt from the Press and Public:** No

**Title: Revenue Budget Setting Report 2016/17**

## 1. Recommendations

That Council:-

- Approves, as set out in this report, the proposals for a balanced revenue budget for 2016/17 and the impact of the budget proposals in 2017/18 and 2018/19
- Approves the investment proposals as set out in the budget report (Appendix 2) noting that some of this investment is required to address inherent budget pressures and some is required to provide scope for growth and improvement.
- Approves the proposed use of Reserves as set out in this report
- Notes and accepts the comments and advice of the interim Strategic Director of Finance and Customer Services (Section 151 Officer), provided in compliance with Section 25 of the Local Government Act 2003, as to the robustness of the estimates included in the Budget and the adequacy of reserves for which the Budget provides.
- Notes the consultation feedback from the public and partners following publication of Directorate budget savings proposals on the Council's website for public comment through to 12th February 2016 (Section 5 of this report and Appendix 3)
- Approves the proposed use of Capital Receipts to fund the first £2m of severance costs arising from service reconfiguration to deliver efficiencies and improved outcomes for clients and residents. See Efficiency Strategy (Appendix 4)
- Notes the planned review of Habershon House Outdoor Education Centre which will report back to Cabinet in June 2016 (Paragraph 3.27)
- Approves:
    - An increase in the basic amount of Council Tax (i.e. the Borough's element excluding precepts) of 3.95% - this being comprised of a 2% precept for Adult Social Care services (a new precept announced in the provisional settlement in December 2015 for Authorities with Adult Social Care responsibilities) and a 1.95% increase in the Council's own basic level of Council Tax.
    - That the precept figures from South Yorkshire Police Authority, South Yorkshire Fire and Rescue Authority and the various Parish Councils and Parish Meetings within the Borough be incorporated, when known, into the recommendation to the Council on 2nd March 2016.

## 2. Background

Introduction

2.1 Following the serious findings of the Professor Jay, Ofsted and Corporate Governance Inspection (CGI) reports, and with the support of Government appointed Commissioners, Rotherham Council is one year into recovery.

2.2 During 2015, extensive consultation has taken place with the Rotherham public, businesses and partners, led by the Leader of the Council and Lead

Commissioner Sir Derek Myers, to determine what matters most to the people of Rotherham. The feedback from these widespread consultation events, which engaged around 1,800 people in total, has resulted in both a reshaped Vision for the Council and a refreshed set of key priorities (see paragraph 2.14 below).

2.3 A programme of activity has been focused on improving the Council following the appointment of Commissioners. Many of the key actions which were set out in the corporate "Fresh Start" Improvement Plan, published on 26th May 2015 have been achieved. In February 2016 the Council saw a partial return of powers allowing it to again directly manage a number of Council functions. The key exceptions to this where executive decision making powers still sit with the Government-appointed Commissioners, are Children's and Adults Social Care where there is still much work to do to fully address the remaining recommendations from the Jay, Ofsted and CGI reports.

2.4 The refresh of the Council's Vision and priorities and the need to undertake further work within the statutory services of Children's and Adult Social Care has inevitably led to an extensive review of working practices. In some service areas additional investment is required in order for the Council to be able to respond positively to the recommendations in the Jay, Casey and related Ofsted reports; and ultimately become a Council meeting its best value duties.

2.5 Alongside this need for additional high performing investment, significant Government funding reductions at a national level in public spending as part of central Government's deficit reduction strategy, mean that in 2016/17 and subsequent years the financial climate for the Council will continue to be extremely challenging. It is imperative that, for the Council to move forward, our strategic priorities are clear, as is the need to focus on them within our decision-making processes.

2.6 This report sets out the proposed Budget for 2016/17 based on available resources, feedback from communities and partners, and is in response to the final Local Government Finance Settlement for the Council issued by the Government on 8th February 2016.

Background

2.7 On 9th December 2015 Full Council approved an outline Medium Term Financial Strategy (MTFS) for 2016/17 to 2018/19. At that time the outline MTFS included estimated funding gaps in each of the next three years of £19.6m, £12.2m and £9.2m respectively.

2.8 This report recommends implementation of budget proposals which will allow the Council to set a balanced budget for 2016/17 and start to make a significant contribution to address the funding gaps for 2017/18 and 2018/19 respectively. The MTFS has been updated to reflect these budget proposals and attached as Appendix 5 to this report. Work to identify options for addressing the remaining funding gap for 2017-19 will continue over the coming months and will be provided to Members for their consideration. The aim is to have a clear, sustainable financial plan during 2016.

2.9 Over the last 5 years (2011/12 to 2015/16) the Council has successfully responded to the significant and unprecedented financial reductions imposed on local government as part of the Government's austerity programme. Over this 5 year period, the Council has addressed a cumulative funding gap of £117m.

2.10 For 2016/17 the Council is required to address a further £21m funding gap (which increased from the £19.6m referenced in paragraph 2.7 to address the provisional finance settlement for the council, include essential investment requirements, and reflect additional corporate savings). This report contains the budget proposals to meet that significant challenge in 2016/17 and set the direction for further savings beyond this through to 2018/19. The proposed Directorate savings contribute £11.9m towards meeting this funding gap and are set out in paragraph 3.18 in summary and in more detail at Appendix 1.

2.11 In addition, since April 2013, local Councils have been required to manage an unprecedented transfer of financial risk through the Government's significant and ongoing reforms of both local government finance and welfare (benefits) systems. For example – the localisation of business rates retention and the abolition of Council Tax Benefit being replaced by a local Council Tax Reduction Scheme.

2.12 Equally, the Government continues to place restrictions on how local authority finances can be used through the Council Tax Excessiveness principles, requiring a local referendum if the proposed council tax increase is 2% or greater. For councils with Adult Social Care responsibilities, however, the Government has increased this threshold by a further 2% from 2016/17 to encourage Authorities to generate further local funding in recognition of the significant funding challenges facing this particular service area.

2.13 In meeting the year on year significant financial challenges presented, the Council has demonstrated a successful track record in delivering its financial plans. However, it is recognised that into the future this will only be sustainable if the Council maintains a clear focus on its corporate plan priorities and key outcomes and puts in place a new, different relationship with its citizens, residents and other stakeholders.

Refreshing the Council Vision and Priorities

2.14 During 2015 extensive consultation and engagement took place with the residents, businesses and wider partners across the borough. A significant programme of 'consultation roadshows' were led by the Leader of the Council and Lead Commissioner Sir Derek Myers, which engaged around 1,800 people across Rotherham. Feedback from these events has been brought together in the "Views from Rotherham" report and has been used to shape a new vision and set of headline priorities for the Council to develop the new outline Corporate Plan as follows:

*"Rotherham is our home, where we come together as a community, where we seek to draw on our proud history to build a future we can all share. We value decency and dignity and seek to build a town where opportunity is extended to everyone, where people can grow, flourish and prosper, and where no one is left behind. To achieve this as a council* ***we must work in a modern,***

***efficient way,*** *to deliver sustainable services in partnership with our local neighbourhoods, looking outwards, yet focused relentlessly on the needs of our residents.*

*To this end we set out four priorities:*

- ***Every child making the best start in life***
- ***Every adult secure, responsible and empowered***
- ***A strong community in a clean, safe environment***
- ***Extending opportunity, prosperity and planning for the future.***

2.15 The Council is now working to finalise its new Corporate Plan for the next Municipal Year (following the first version approved by Full Council on 9th December 2015) structured around the delivery of this new vision, so that it can be embedded in all the Council does.

2.16 The proposed revenue budget for 2016/17 as set out in section 3 below similarly aligns with this new Vision and will be integral to delivering the Council's corporate priorities.

## 3. Key Issues

Final Local Government Settlement 2016/17

3.1 The table below shows the Final Local Government Settlement for the Council announced on 8th February 2016 and shows no change to the Provisional Settlement issued on 17th December 2015.

| | **Final Settlement** |
|---|---|
| | £'000 |
| Revenue Support Grant | 39,405 |
| Business Rates Top Up | 22,817 |
| Retained Business Rates | 35,930 |
| **Settlement Funding Assessment (SFA)** | **98,152** |

3.2 The Settlement figures include the Government's estimate of what it believes a Council will have by way of Retained Business Rates resource. Council's will, where appropriate, substitute their own estimate of a realistic level of retained business rates funding. The difference between the Government's and the Council's own estimate of retained business rates is only £8k for the year. (Government estimate £35.938m, Council estimate £35.930m)

3.3 In addition to the Settlement Funding Assessment above, other sources of Government non-ringfenced grant funding is also available to support the budget. The 2016/17 allocations are set out in the table below:

| **Funding Source** | **£'000** |
|---|---|
| | |
| New Homes Bonus | 5,999 |

| | |
|---|---|
| New Homes Bonus – Top Slice Refund (Estimated) | 100 |
| Business Rates: Section 31 Grants | 1,618 |
| Business Rates: Renewable Energy | 159 |
| Business Rates: Enterprise Zone | 305 |
| | |
| **TOTAL** | **8,181** |

3.4 The total level of Government non-ringfenced grant available to support the budget in 2016/17 is £106.333m (SFA £98.152m plus non-ringfenced grants £8.181m).

Proposed Increase in Council Tax

3.5 The Council is proposing to increase its own Council Tax (ie excluding Parish, Fire and Police precepts) by a total of 3.95%. This consists of two elements:

a) A 1.95% increase in respect of contributing towards the Council's overall budget position; and
b) A further 2% increase specifically in respect of a precept for Adult Social Care services (following a Government announcement encouraging Authorities with Adult Social Care responsibilities to generate an extra 2% income by applying this new precept).

3.6 A 3.95% increase on the tax levied in 2015/16 would mean a **Band D Council Tax (for the Council only) of £1,328.20** and would mean a Band A Tax of £885.47, a Band B Tax of £1,033.05 and a Band C Tax of £1,180.63 per year. **86% of properties in Rotherham are classed as Band A (54%), Band B (19%) or Band C (13%).**

3.7 The planned level of Council Tax also takes account of a planned use of £4m (net) surplus on the Council's Collection Fund (Council Tax and Business Rates) as at 31 March 2016. This is a direct result of the Council continuing to achieve its excellent record in collecting Council Tax by achieving a higher rate of collection than the 97% expected when setting the previous years' tax levels and minimising its cumulative arrears, (which currently equate to £67 per property, which is one of the lowest levels for a Metropolitan Council).

3.8 The proposed increase in Council Tax is not recommended lightly. The alternative was to further reduce valued, frontline services at a time when demand for these services by vulnerable children and adults is increasing and the Council, alongside the Sheffield City Region, are proactively looking to stimulate the economy to bring about jobs and prosperity in the borough and city region which will bring about an increase in the future resources available to the Council.

3.9 As required by legislation (the Local Government Finance Act 1992), and as in previous years, a formal report will be brought to Council on March 2nd setting

out details of the proposed Council Tax calculations for the Council, parished areas and including the precepts from the South Yorkshire Police and South Yorkshire Fire and Rescue Authorities - it is currently expected that the Police Authority will increase its precept by £5 per annum (for a Band D equivalent property). The proposed increase for the Fire and Rescue Authority is 1.97% as confirmed at its meeting on 15th February 2016.

3.10 The Council meeting on 27th January 2016 approved Rotherham's Council Tax Base for 2016/17 of **67,149.57 Band D Equivalent properties** after adjusting for expected losses on collection, the impact of the Council's Council Tax Reduction Scheme and discretionary discounts and exemptions for empty properties and second homes.

3.11 Based on the number of properties in the Tax Base and the proposed increase in Council Tax by 3.95%, this will generate a total Council Tax of **£89.188m** available to support the Council to fund services in 2016/17.

Financing the Proposed 2016/17 Revenue Budget

3.12 The table below shows the total available (non-ringfenced) resources to support the proposed revenue budget of £199.521m for 2016/17:

| | **£'000** |
|---|---|
| Settlement Funding Assessment | 98,152 |
| New Homes Bonus (including top-slice refund) | 6,099 |
| Business Rates: Section 31 Grants, Renewable Energy and Enterprise Zones | 2,082 |
| Use of Collection Fund Balance | 4,000 |
| **Which will leave to be raised from Council Tax – a 3.95% increase on the Council Tax levied in 2015/16** | **89,188** |
| **Funding Total** | **199,521** |

Proposed Use of Reserves

3.13 The Council's outline Medium Term Financial Strategy approved by Council on 9th December (and updated as Appendix 5 to this report) includes the planned use of the Council's Transformation Reserve to specifically contribute to the funding of Children's placements over the next three years:- £3m in 2016/17, £2m in 2017/18 and £1m in 2018/19 respectively. This additional funding is factored into the proposed Directorate Cash Limit Budgets shown in the table below in section 3.15.

3.14 This proposed budget also assumes use of £2m from the General Grant Reserve for 2016/17, in part utilising the grant one-off secured by Commissioners from the Department for Communities and Local Government (DCLG) in November 2015.

Proposed Directorate Budgets 2016/17

3.15 Set out below is the proposed Net Revenue Budget for 2016/17 including the Directorate Cash Limit Budgets utilising the funding resources set out in section 3.12 above, and assuming implementation of the proposed budget savings included within this report and detailed at Appendix 1:

| **Directorate** | **Proposed Budget 2016/17** |
|---|---|
| | **£'000** |
| Adult Care & Housing | 68,873 |
| Children & Young People's Service | 55,877 |
| Regeneration & Environment Services | 44,972 |
| Finance, Customer Services and Corporate Services | 16,023 |
| Central Services | 13,776 |
| **TOTAL NET REVENUE BUDGET** | **199,521** |

3.16 The proposed Central Services budget (£13.776m) shown in the table above includes the following key budgets:

- Integrated Transport Authority Levy and other levies (£15m)
- Capital Financing and PFI adjustments (£2.5m)
- Use of reserves and DCLG grant (see 3.14 & 3.15 above) (-£5m)
- Voluntary severance budget (£1m)
- Supplier discounts and dividends (-£0.8m)
- Local Taxation Collection (Grants and recovery of court fees) (-£0.6m)

It also includes the following 'unallocated' investments and savings:

- A contingency budget ring-fenced for Social Care (Adults and Children) to meet any unforeseen increases in demand for services. Allocations from this contingency will be formally considered by Commissioners during the course of the forthcoming year (£1m);
- Budget to fund the equivalent of a 1% pay award. This will be allocated to budgets later in the year once pay negotiations have been finalised (£957k);
- Budget to fund staff increments (£808k);

- Public Health savings to be allocated to General Fund services that deliver Public Health outcomes (-£555k); and
- Budget saving proposed to be delivered from the renegotiation of staff terms and conditions of employment, effective from October 2016. (-£1m) (Full year effect £2m).

3.17 The table below shows the proposed movement in Directorate budgets from 2015/16 to 2016/17:

| Directorate | (Adjusted) Budget 2015/16 | Less: Net Savings Proposals for 2016/17 | | Investment | | Proposed Budget 2016/17 | Change 2015/16 to 2016/17 | |
|---|---|---|---|---|---|---|---|---|
| | | Approved 2015/16 | Proposed 2016/17 | Growth / Funded Pressures | Inflation | | | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | % |
| Adult Care & Housing | 69,937 | 2,226 | -5,045 | 492 | 1,263 | 68,873 | -1,064 | -1.5 |
| Children & Young People's Services | 43,913 | 131 | -1,388 | 12,037 | 1,184 | 55,877 | +11,964 | +27.2 |
| Regeneration & Environment | 46,310 | -934 | -2,754 | 403 | 1,947 | 44,972 | -1,338 | -2.9 |
| Finance, Customer Services & Corporate Services | 16,828 | 90 | -2,114 | 792 | 427 | 16,023 | -805 | -4.8 |
| **TOTAL** | **176,988** | **1,513** | **-11,301** | **13,724** | **4,821** | **185,745** | **+8,757** | **+4.9** |

3.18 The proposed Directorate budget savings are shown in Appendix 1. The summarised position is shown in the table below:

| **Directorate** | **2016/17** | **2017/18** | **2018/19** |
|---|---|---|---|
| | **£'000** | **£'000** | **£'000** |
| Children & Young People's Services (including Early Help) | 1,388 | 555 | 375 |
| Adult Care & Housing (including Furnished Homes) | 5,045 | 3,931 | 2,154 |
| Regeneration & Environment (including Property rationalisation) | 2,620 | 799 | 514 |
| Finance, Customer Services & Corporate Services | 2,007 | 996 | 1,214 |
| Additional Directorate Voluntary Severance savings (not already included in budget proposals) | 241 | -99 | 0 |
| **Sub Total** | **11,301** | **6,182** | **4,257** |
| Public Health | 555 | 294 | 199 |
| **TOTAL** | **11,856** | **6,476** | **4,456** |

3.19 The impact of these budget proposals on the number of staff employed by the Council and its services is shown in section 9.1.

3.20 The above savings also include additional savings which can be delivered as a result of voluntary severance applications which have been supported in-year where the loss of the post(s) is not already included in savings proposal which have been subject to public comment. In 2016/17 this amounts to £241k.

3.21 Other key corporate savings proposals contributing to closing the Council's 2016/17 funding gap include:

- Reviewing and updating MTFS planning assumptions (including proposed 3.95% increase in Council Tax) : £3.2m
- Realising benefits from re-profiling the cost of servicing Council capital investment loans and reviewing the cost of the Council's Private Finance Initiative (PFI) arrangements: £7.5m
- Planned review of staff terms and conditions of employment - to be implemented from October 2016: £1.0m (£2m full year effect)
- Reduction of the Council's budget for Voluntary severance budget: £2.0m

3.22 The £2m reduction to the Voluntary severance budget above is predicated on the first £2m of costs associated with staff leaving the Council in 2016/17 through reconfiguration of services to deliver improvement and efficiencies, being funded through the use of Capital Receipts. This is a new flexibility announced by the Government in the last Autumn Statement (Guidance issued under the Local Government Act 2003). More detail is shown in the Efficiency Strategy at Appendix 4.

Impact of the proposed 2016/17 Revenue Budget

3.23 The Budget outlined above will:

- provide additional funding to both protect vital services for those most in need in our community, but also recognises the overwhelming need to provide further support for victims and survivors of Child Sexual Exploitation and targeted early preventative work with vulnerable young people;

- progress the ongoing transformation of the Council's Adult Social Care Services to provide better services enabling more vulnerable adults to live independently, safely and improve their quality of life;

- enable the Council to continue to positively take forward and address the findings in the Professor Jay, Ofsted and Louise Casey reports to help the Council become 'fit for purpose' at the earliest opportunity;

- focus on corporate and service transformation, ensuring services continue to be equipped to deliver a high standard of service for the citizens, businesses and stakeholders of the Borough that is fully aligned to the Borough's new Community Strategy and the Council's Corporate Plan priorities; and

- Continue to reduce management, administration and support costs as far as is sensible to do so.

3.24 The key impact of the proposed budget on each Directorate is shown below:

Children and Young People's Services

3.25 Investment of £12m is proposed to both meet current and forecast levels of demand for services and to fully respond to the recommendations in the Jay, Casey and Ofsted reports. Details of these proposed investments are to both address an historic underfunding of the looked after children placements budget, recognise the more recent increase in demand for services and to provide a much needed increase in Social Worker and Leadership capacity to reduce caseloads to safe levels that enable the needs of the child to be sufficiently assessed and met.

3.26 The proposed reshaping of the Early Help offer will see a more targeted approach to the provision of Youth Services in support of the work to help identify, assess and meet the needs of vulnerable children at an earlier stage preventing escalation. The availability of universal provision will continue through other services such as leisure and support to the community and voluntary sector.

3.27 A review is proposed to take place on Habershon House Outdoor Education Centre due to the projected income not meeting the full cost of providing the facility. This review will be reported to Cabinet in June where a decision will be made on its future operation based on a Value for Money assessment. Prior to this date, the budget will transfer from Early Help to Central Services. To make good any projected budget deficit, (subject to any future decision on its future operation), if it were required between now and June by viring such an amount (£31k annual estimate) from the Contingency budget established in the 2016/17 budget to meet future demand pressures in social care.

Adult Social Care

3.28 The Council has recently published a new Vision and Strategy for improving our Adult Social Care Services, with the ambition that adults with disabilities and older people and their carers will be supported to become independent and resilient so they can live good quality lives and enjoy good health and well-being.

3.29 A programme of changes has been started to ensure that the Council delivers its services in a manner that puts individuals needing support at the centre of plans, and that services are:

- Customer focused rather than service led with better collaborative working between different parts of the Council, the NHS and other partners;
- Changed from being reactive to preventative with earlier intervention, better support for carers maximising resilience;
- Offering a simpler customer journey so that people can get help as quickly as possible;
- More accessible especially in the evening and at weekends;

- Making greater use of a wider range community assets, services and resources and of alternatives such as supported living extra care scheme and Shared Lives to minimise the use of residential and nursing care; and
- Focussed on improving outcomes for customers and carers.

3.30 Nationally there has been significant and rapid change in the way adult care is delivered and Rotherham wants to implement good practice. The Council has placed more people in residential care and in traditional community services compared to other authorities. Homecare has not been used effectively and the current customer journey and referrals process are not operating as effectively as they need to. Our Strategy and Vision will ensure the Council's Adult Care Services are delivered efficiently and in line with those of other councils to achieve better outcomes for people at lower cost.

3.31 At a time when the Council is having to save money and demonstrate real improvements in the value for money it offers, the transformation of Adult Services is a key element to achieving this. However, in doing this the Council recognises that Service has a number of significant cost pressures and is therefore looking to invest about £1.8m in 2016/17 to help offset these pressures, which will be funded from the proposal to take up the 2% Adult Social Care Precept.

3.32 The 2% Adult Social Care precept will generate an additional £1.716m income to support the Adult Social Care budget.

3.33 The 2% Adult Social Care precept will be utilised to support Adult Social Care services as shown in the table below:

| **Use of Adult Social Care Precept** | **£'000** |
|---|---|
| | |
| Meeting additional costs of social worker and other related staffing costs | 1,094 |
| Increased cost of Adult Social Care contracts with care providers | 637 |
| Meeting the cost of assessment for Deprivation of Liberty Safeguards (DOLS) Regulations | 100 |
| General (non-contract) inflation | 11 |
| **TOTAL** | **1,842** |

3.34 In addition to the above budgets supported by the 2% precept, a £1m Social Care contingency budget has been created (Paragraph 3.16) and will be allocated, subject to demand, to Adults and Children's social care during the course of 2016/17.

Regeneration and Environment

3.35 There is significant growth potential in the Borough and the wider Sheffield City Region. Continuing to restore business confidence and making Rotherham a place for 'doing business' will help attract much needed inward investment and will be integral to Rotherham's future economic ambition. Rotherham has ambitious targets in the Local Plan for new housing, with a

need for 958 new homes a year. It also has a jobs target of 1,000 a year and 750 net new businesses over the next 5 years. This correlates to the growth ambitions set out in the Sheffield City Region (SCR) Strategic Economic Plan and more locally with the Council's Growth Plan. The Council also has a major role to play in helping drive this growth and enterprise, both as a facilitator and also in terms of a potential deliverer, as a major land and property owner. The Council working with the SCR, through the proposed devolution deal, will now be in a fairly unique position to drive growth and investment in the region. The Council will look to maximise the opportunities created by connecting residents and businesses with skills and employment opportunities and supporting the inward investment in housing and in transportation and highways infrastructure.

3.36 The key investments in this Directorate represent replacement of lost grant funding with revenue budget to support the Rotherham Investment Development Office (RIDO) – a service critical for attracting inward investment into the borough if it is to grow and thrive (£160k).

Finance, Customer Services and Corporate Services

3.37 The budget proposals from these Directorates reflect the overall current and future planned downsizing of the Council, improvements and efficiencies through streamlining operations, improving systems and a reduction and re-prioritisation of support for frontline services.

3.38 The key budget growth items for these Directorates represent the additional costs of the new corporate management structure (£356k) and additional one-off costs for the Borough's all-out elections in May 2016 (£72k) and one-off costs for the Statutory Local Plan Inquiry (£100k).

Specific Grant Funding

3.39 The Council also receives a number of specific grants. The 2016/17 specific grants that have been confirmed and their value are set out below:

| **Specific Grants** | **2016/17**<br>**£'000** |
|---|---|
| Public Health | 17,157 |
| PFI: Education (Revenue) | 6,223 |
| PFI: Leisure (Revenue) | 1,811 |
| PFI: Waste (Revenue) | 1,781 |
| Housing Benefit Administration Grant | 1,183 |
| Local Council Tax Support Administration Subsidy | TBC |
| Special Educational Needs and Disability Reform Grant | 169 |

3.40 Public Health Grant: The confirmed allocation for 2016/17 is £17.157m and is £1.319m less than the 2015/16 allocation (when adjusted for the in-year effect of transferring funding for 0-5 years Children's services). The service did have a £1.011m in-year reduction in 2015/16. The £1.319m reduction represents a 7.14% loss of grant, or £308k (1.67%) additional loss of grant in 2016/17. Rotherham's 2016/17 grant reduction of 1.67% compares well with many Authorities who have seen a reduction of 2.3%, and the national average being a 2.2% reduction. The grant will reduce further in 2017/18 to £16.734m; a further reduction of £423k (2.5%). The Public Health Grant is currently ring-fenced and carries conditions on how it can be used. The Government has confirmed that the ring-fence will stay in place for the next two financial years 2016/17 and 2017/18.

3.41 Private Finance Initiative (PFI) Grants: the Council receives an annual fixed grant in respect of each of its three PFI schemes. This grant is used to help fund the monthly contract payments to the individual contractors. As such, this grant is not available to support the wider Council budget.

3.42 Housing Benefit Administration Grant and Local Council Tax Administration Subsidy: Grant and subsidy towards the administration costs of the Housing Benefit and Council Tax Support schemes.

Schools Funding

3.43 Dedicated Schools Grant (DSG) – The DSG rates per pupil for the Schools Block and the Early Years Block for 2016/17 are £4,836.65 and £3,870.32 respectively. The rates remain the same as they were in 2015/16.The funding for the High Needs Block continues to be the 2014/15 baseline plus additional funding for placements and top-up funding for both 2015/16 and 2016/17 less direct funding of places by the EFA to academies and independent providers..

3.44 The School's Pupil Premium is additional funding provided to schools, the value of which is based on 3 elements:

- The 'Disadvantaged Premium' will continue to be £1,320 per pupil for Primary School children and £935 for Secondary School children, the same as in 2015/16. Pupils who have been eligible for Free Schools Meals in the last 6 months will attract this premium.

- The Looked After Children Premium for children who have been looked after for one day or more, and including children who have been adopted from care or who leave care under a special guardianship or residence order (referred to as Pupil Premium Plus), will be £1,900 per eligible pupil, the same value as in 2015/16.

- The Service Child Premium which funds children of Armed Services personnel remains at £300 per pupil.

3.45 Year 7 Literacy and Numeracy Catch-up Premium is an additional resource for schools directed at additional literacy and numeracy catch-up support during Year 7. In 2015/16 schools were allocated £500 for each pupil not

achieving level 4 at Key Stage 2 in reading and/or maths. The rate per eligible pupil is to be confirmed early 2016.

3.46 Devolved Formula Capital funding for Schools is estimated at £459k for 2016/17. The allocation for 2015/16 was £556k.

3.47 Sixth form funding from the Education Funding Agency (EFA) is yet to be confirmed. (2015/16 was £3.115m).

Developing the Medium Term Financial Strategy

3.48 The Council's budget strategy has been to limit, as far as possible, the impact of funding cuts on front line services – particularly on our most vulnerable residents, whilst looking to grow the local economy to maximise future income generation potential.

3.49 The climate of continued funding cuts from Government and the pace of growth in the local economy has made this strategy difficult to maintain. More will be done to review how we can further transform services to deliver further savings and to look for opportunities for joining up or rationalising service arrangements where this is sensible to do so and will reduce costs. However, the further planned government funding cuts over the period to 2019/20 mean that it is inevitable that some of the future savings the Council will have to deliver will inevitably impact on frontline services.

3.50 This report proposes a balanced budget for 2016/17, however more work is to be done to address the estimated funding gaps in the MTFS of £6m and £9.5m for 2017/18 and 2018/19 respectively.

3.51 The above funding gaps also exclude a number of cost pressures in the system which need further consideration in future iterations of the MTFS. These include:

- Any need for additional investment in Children's Social Care;
- Demographic pressures in Adult Social Care;
- The impact of the Pensions Triennial Revaluation which will impact from April 2017;
- The impact of the new 0.5% Apprenticeship Levy which will also fall on the Council from April 2017; and
- Implementation of the National Living Wage both for Council Staff and particularly by Contractors and Clients.

3.52 The updated MTFS reflecting the latest financial information included in the Final Local Government Settlement announced on 8th February 2016 is attached as Appendix 5 to this report.

## 4. Options considered and recommended proposal

4.1 These are set out in Section 3 above.

## 5. Consultation

5.1 In addition to the extensive public and partner consultation roadshows which took place during 2015 for the public to provide feedback on Council services and what was most important to them, consultation on the specific Directorate budget proposals has also taken place with the closing date for comments being 12th February 2016. The feedback from the budget consultation is summarised at Appendix 3 of this report.

5.2 A total of 57 responses were received to the corporate consultation exercise by the deadline (5.00pm Friday 12th February 2016), including 23 via an online form on the council website, 26 by email, and 8 in writing. These 57 responses do not reflect any responses that have been sent directly to the service concerned. Specifically, the Leisure and Green Spaces Service has received an additional 9 responses on the proposal linked to the biological records centre, including a petition submitted by Yorkshire Naturalists' Union. It should be noted that this proposal would not take effect until 2017/18 and the service is committed to engaging with respondents to consider alternative options.

5.3 The school crossing patrol proposals, particularly at Laughton Junior and Infants School, have also attracted additional representations, with at least six people contacting the service directly and other feedback channelled via the school(s). An officer has visited Laughton school to discuss the proposals and dialogue continues in relation to all affected crossings. In light of comments and feedback received the final proposed budget for 2016/17 focusses on an approach where the Council works collaboratively with schools and other local partners as appropriate to develop shared funding models. This means that the Council will now not progress in 2016/17 a savings proposal for the value of £25k. (i.e. Ceasing funding for low risk crossing sites).

5.4 The Council's Overview and Scrutiny Management Board (OSMB) has closely reviewed and challenged the budget proposals included in this report. The budget process has included the referral of outline savings proposals to OSMB for its formal consideration as part of the Council's budget scrutiny process. OSMB has held formal sessions to consider these savings proposals (2nd October, 23rd October and 26th November 2015, 15th and 22nd January and 12th February 2016 with the associated information placed in the public domain), as well as the potential financial implications of the Adult Social Care Development Programme.

5.5 Commissioner Manzie wrote to the chair of OSMB on 29th January setting out her responses to a number of specific questions and queries raised by members. Following a final budget scrutiny meeting on 12th February it was recommended that the proposal relating to the potential closure of the Visitors Centre should be deferred as further work was needed on the wider implications on other Council services using the building. E.g. Theatre Box Office.

5.6 A number of the service specific budget proposals require further consultation and this will take place over the forthcoming months and in accordance with relevant statutory requirements. These specific proposal references are:

- CYPS7 B – Safeguarding children and families: review of internal residential care provision
- EDS5 B - Libraries and customer services: closure of mobile library service
- EDS5 D - Libraries and customer services: replace face-to-face cashiers with payment kiosks at Riverside House
- EDS5 E - Libraries and customer services: introduce online benefit claims and risk-based verification at Riverside House
- EDS5 F - Libraries and customer services: introduction of online benefit claims in joint service centres
- EDS5.1 H - Libraries and customer services: retain library provision in all existing locations; moving to single staffing in 7 libraries; extending self-serve; supporting further partner/ community involvement
- EDS7 B – Registrars: removal of registration of births and deaths at Rotherham General hospital
- EDS7 C – Registrars: move service delivery from face-to-face to more telephony and online for “tell us once” bereavement
- EDS26 C option b - Streetpride: Leisure and green spaces: withdraw free parking for blue badge holders at Rother Valley country park on weekdays
- CYPS: Review of Early Help offer
- Adult Social Care Development Plan: All proposals

## 6. Timetable and Accountability for Implementing this Decision

6.1 The Council is required to set its annual budget by no later than 10th March each year. Strategic Directors are responsible for ensuring the delivery of savings proposals within their Directorate Cash Limit approvals.

6.2 Where appropriate, detailed Implementation Plans will be drawn up and maintained, to ensure close monitoring of savings delivery or providing early warnings if there is a potential for the savings target not to be achieved. In this instance this will provide maximum opportunity to identify potential remedial actions to be identified and implemented to maintain spend within the approved budget limit.

## 7. Financial and Procurement Implications

7.1 The financial implications are set out in detail in Section 3 above.

7.2 In summary, the report recommends **a 3.95% increase in Council Tax** (excludes precepts other than the Adult Social Care precept) **and a 2016/17 General Fund Revenue Budget for the Council of £199.521m**.

7.3 It should be noted that the proposed budget includes:

- A 1% increase for staff pay awards
- A general price inflation rate of nil %, and where known in relation to specific items of expenditure, a specific provision for inflation if significantly different. **In line with Council policy, it is expected that all such inflationary pressures will be contained within Directorate Cash Limit budgets**.
- Income inflation - agreed on a service by service basis.

Four Year Offer

7.4 The Government is allowing Councils until 14th October 2016 to decide if they wish to take up the four year funding offer. Work will take place over the coming months and Members will be advised of the implications of taking up this offer, as more detail is released by Government.

7.5 The proposals in this report enable the Council to set a balanced budget for 2016/17, however, an estimated funding gap exists for 2017/18 and 2018/19 of £6m and £9.5m respectively, as set out in the Medium Term Financial Strategy. (Appendix 5)

**8. Legal Implications**

8.1 When setting the budget, the Council must be mindful of the potential impact on service users. In particular, Section 149 of the Equality Act 2010 imposes an obligation on Members to have due regard to protecting and promoting the welfare and interests of persons who share a relevant protected characteristic (age; disability; gender re-assignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation). The detail of the analysis of the budget proposals undertaken so far is described in section 11 below. However, case law has clarified that there is no obligation on a local authority to carry out an equality impact analysis of the high level strategic budget setting process. Once the budget has been set and as spending decisions are made service by service, and as policies are developed within the constraints of the budgetary framework, proposals will be further considered by Members and will be subject to an appropriate and proportionate assessment of any equality implications.

8.2 In coming to decisions in relation to the revenue budget and Council Tax the Council has various legal and fiduciary duties. The Council is required by the Local Government Act 1992 to make specific estimates of gross revenue expenditure and anticipated income leading to the calculation of the council tax requirement and the setting of the overall budget and Council Tax. The amount of the council tax requirement must be sufficient to meet the Council's legal and financial commitments, ensure the proper discharge of its statutory duties and lead to a balanced budget.

8.3 In exercising its fiduciary duty the Council should be satisfied that the proposals put forward are a prudent use of the Authority's resources in both the short and long term; that the proposals strike a fair balance between the interests of Council Tax payers and ratepayers on the one hand and the community's interests in adequate and efficient services on the other; and that they are

acting in good faith for the benefit of the community whilst complying with all statutory duties. Officers have addressed the duty to strike a fair balance between different elements of the community and the interests of Council Tax and Business Rate payers in developing the budget proposals set out in this report.

## 9. Human Resources Implications

9.1 The expected impact of the budget proposals within this report on the number of Full Time Equivalent (FTE) staff/posts to be lost is shown in the table below:

| 2016/17 | 2017/18 | 2018/19 |
|---|---|---|
| FTE | FTE | FTE |
| 346.6 | 180.6 | 69.7 |

9.2 During 2015/16 146 staff (120 FTE) left the Council through Voluntary Severance or Voluntary Early Retirement.

9.3 Since 2010 the Council has reduced its headcount by over 1,500. The current headcount is 5,669 (4,085 full-time equivalent posts).

## 10. Implications for Children and Young People and Vulnerable Adults

10.1 See sections 3.25 to 3.33 above.

## 11 Equalities and Human Rights Implications

11.1 All budget savings proposals have had an Equalities Assessment, most of which were not required to be detailed due to the nature of the proposals. However, some proposals did require full, detailed Equalities Assessments – these are:-

| Savings Proposal Reference | Summary of proposal | Status | Further Comments |
|---|---|---|---|
| **Regeneration & Environment Services** | | | |
| **EDS 05 B** | Closure of mobile library service (B) | EA underway and Service Manager scoping detailed consultation | Consolidation of book link service and delivery van |
| **EDS 05 D** | Libraries and customer services: Replace face to face cashiers with payment kiosks at Riverside House | EA underway | |
| **EDS 05 E, F** | Libraries and customer services: Introductions of online benefit claims and Risk based verification | EA complete | i.e. at Riverside house (E) and within Joint service centres (F) |

| Savings Proposal Reference | Summary of proposal | Status | Further Comments |
|---|---|---|---|
| **EDS 05.1 H** | Libraries and customer services: retain library provision in all existing locations; moving to single staffing in 7 libraries | EA underway and detailed consultation being planned | |
| **EDS 07 B, C** | Registrars: removal of registration of births and deaths at Rotherham General hospital; and channel shift from face-to-face to telephony/online for "tell us once" bereavement | EA underway | |
| **EDS 22** | Parking charges - proposed increases | EA complete | |
| **EDS 26 C** | Rother Valley Country park – blue badge parking charges | EA complete | Increase car park charges<br>Withdraw free parking for blue badge holders on weekdays |
| **Finance & Customer Services** | | | |
| **RES 19 A** | Town Hall catering | EA complete | |
| **RES 21 B** | Legal services - increase income and top slice supplies and service budgets | EA complete | |
| **Children and Young People's Services** | | | |
| **CYPS 7 B** | Safegarding children and families: review of internal residential care provision | EA underway | |
| **CYPS 11A** | All saints public toilets | EA complete | Saving to be achieved by implementing a turnstile facility. |
| **CYPS 15** | School crossing patrols | EA complete | |
| **Public Heath** | | | |
| **PH01 A** | 1.8% efficiencies in integrated sexual health services | EA complete | |
| **PH02 B** | 1.8% efficiencies in alcohol and drugs treatment contracts | EA complete | |

## 12. Implications for Partners and Other Directorates

12.1 These are set out in the savings proposals at Appendix 1and in the Equalities Assessments.

## 13. Risks and Mitigation

**Report of the Interim Strategic Director of Finance and Customer Services (the Council's Responsible Financial Officer)**

13.1 The Responsible Financial Officer of an Authority (in Rotherham Council's case the Interim Strategic Director of Finance and Customer Services) is required by Section 25 of the Local Government Act 2003 to report to the Authority when it is making the statutory calculations required to determine its Council Tax, and the Authority is required to take that report into account. The report should deal with:

- The robustness of the estimates included in the Budget; and
- The adequacy of reserves for which the Budget provides.

13.2 The report does not have to be a separate document and so I have included my comments in this report and Cabinet is asked to take account of them.

13.3 The budget setting process has been challenging given the unprecedented scale of the ongoing funding reductions required and the timescales in which to achieve them. Delivery of £21m savings following delivery of almost £117m savings in the previous five years presents a significant challenge (to all Councils) in formulating a robust and sustainable budget and preserving a financially resilient overall financial position whilst seeking to ensure that vital public services continue to be available to those in our community that are most in need of them.

13.4 From April 2013 the Localisation of Business Rates and the introduction of the Council Tax Reduction Scheme both transferred significant financial risks from Central Government to a local authority which put pressure on the level of income collectable and overall collection rates which will have a direct impact on future resources available to the Council. In Rotherham we have a very strong track record of collecting both business rates and council tax income and therefore I believe the collection level assumptions included in setting this budget adequately reflect this risk.

13.5 As the Chief Financial Officer for the Council, I consider that the budget proposals and estimates included within the proposed Budget are robust. Work will continue over the coming months to identify further savings options for Member consideration with an expectation that proposals to deliver a sustainable financial plan for 2017/18 and 2018/19 can be identified and planned for during 2016.

<u>Reserves</u>

13.6 The Council holds a level of uncommitted reserves that could be drawn on, if required, to support the 2016/17 Budget and to give time for serious action to

be taken to bring the Budget back into balance, so as to ensure its sustainability for the future.

13.7 I have conducted a detailed review of the level and purpose of the Council's reserves, together with their operational arrangements (in line with recommended best practice). The review, incorporating a risk assessment of each reserve, has guided my decision regarding the prudence of the level of reserves available to draw upon, if necessary, during 2016/17.

13.8 The Council's reserves, based on the latest monitoring, are expected to be £84.115m at 31st March 2016.

13.9 When reporting the development of the Medium Term Financial Strategy in July 2015 it was indicated the Council reserves as at 1st April 2015 were £118.113m in total. Within this amount was a sum of £34.783m arising from the approved amendments to the Council's Minimum Revenue Provision (MRP) profile for pre 2007/08 debt. This amount was earmarked to cover the equivalent future cost which would eventually arise from this re-profiling in later years. Working with its External Auditors, the Council has evaluated whether any of the sum set aside in the reserve could be prudently released early. In concluding this evaluation the Council's External Auditors indicated that the sum held in the earmarked reserve should no longer be held in a reserve in the Balance Sheet but retained in the Capital Adjustment Account, and could be released over a period of time by taking an annual MRP holiday. This proposed revised disclosure and change in accounting policy has been reflected in the Council's MRP Policy Statement that was approved by Council on the 27th January 2016 and is also affirmed in the Council's Treasury Management and Prudential Indicators 2016/17 to 2018/19 report that is presented on this Advisory Cabinet/Commissioner Agenda.

13.10 The estimated net impact of this change in disclosure as at 31st March 2016 means that £20.165m of the MRP Adjustment Account is to be transferred to the Capital Adjustment Account with the balance £14.618m retained in the Reserve initially for the purpose set out above. Further proposals on the future purpose of this reserve are intended to be presented to Members within the 2015/16 Revenue Outturn report.

13.11 This change in disclosure of £20.165m together with the planned use (£8.394m) of the Transformation reserve in 2015/16 has contributed to the reduction in the estimated reserves now reported.

13.12 The majority of earmarked reserves (£72.836m) are mostly held as ring fenced:

- to particular statutory services including Schools (£1.200m) and Housing Revenue Account (£23.325m);
- to meet long term contractual PFI obligations (£12.261m);
- subject to the above, to meet future MRP charges (£14.618m); and
- to hold grant income received and committed to future years in line with the terms and conditions of the funding (£8.794m).

13.13 Within the balance (£12.638m), is a sum of £8.457m held within the Transformation Reserve. The balance on this reserve is committed to support the Revenue Budget (specifically Looked-After Children placements) over the

next three years, using £3m in 2016/17, £2m in 2017/18 and £1m in 2018/19 respectively. Whilst the balance of £2.457m on the Transformation reserve has not been specifically earmarked it is recommended that this is retained as reserve funding recognising both the ongoing improvement programme in particular council services, and other financial pressures on the Council's revenue budget.

13.14 A further sum of £2.101m is held in the Furnished Homes reserve. The balance on this reserve together with surpluses generated in future years is committed to support the Revenue Budget.

13.15 The remainder (£2.080m) has been generally earmarked for specific purposes or schemes by services.

13.16 Subject to the final outturn for 2015/16, this means that approximately £11.279m (5.75% of the proposed net revenue budget) would be generally available to safeguard the Council against the potential financial risks in the financial plan. Based on an assessment of those risks and the likelihood of them occurring I consider this to be a prudent level. However, given the continuing speed of government funding and policy changes over last 5 years and the very significant financial challenges facing local government and more specifically this Council it will be imperative that the adequacy of the reserves position is monitored carefully as part of the ongoing assessment of the financial risks facing the Council.

**14. Accountable Officer(s)**

Approvals Obtained from:-

Interim Strategic Director of Finance and Customer Services:- Stuart Booth

Interim Assistant Director of Legal Services:- Catherine Parkinson

This report is published on the Council's website or can be found at:-

http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=

Appendix 1

# Savings by Directorate

| Directorate | | 2016/7 £,000 | 2017/18 £,000 | 2018/19 £,000 | Total over 3 years £,000 | FTE | FTE | FTE | FTE |
|---|---|---|---|---|---|---|---|---|---|
| **Children's & Young People Services** | Enclosed savings | 967 | 134 | 375 | **1,476** | 5.0 | 1.5 | 0.7 | **7.2** |
| | Early Help Savings Proposal | 421 | 421 | 0 | **842** | 17.2 | 0 | 0 | **17.2** |
| | **Children's & Young People Services Sub Total** | **1,388** | **555** | **375** | **2,318** | **22.2** | **1.5** | **0.7** | **24.4** |
| **Environment & Regeneration** | Enclosed savings | 2,385 | 799 | 514 | **3,698** | 48.1 | 15 | 6.5 | **69.6** |
| | Property rationalisation | 235 | 0 | 0 | **235** | 0 | 0 | 0 | **0** |
| | **Environment & Regeneration Sub Total** | **2,620** | **799** | **514** | **3,933** | **48.1** | **15** | **6.5** | **69.6** |
| **Finance & Corporate Services** | Enclosed savings | 2,007 | 996 | 1,214 | **4,217** | 34.54 | 14.1 | 25.3 | **73.94** |
| **Public Health** | Enclosed savings | 555 | 294 | 199 | **1,048** | 0 | 0 | 0 | **0** |
| **Neighbourhoods & Adult Social Care** | Neighbourhoods - Enclosed savings | 250 | 100 | 100 | **450** | 0 | 0 | 0 | **0** |
| | Neighbourhoods - Furnished Homes | 1,500 | 0 | 0 | **1,500** | 0 | 0 | 0 | **0** |
| | Enclosed Savings: Adult Social Care - Forecast Financial Implications of Development Programme 2016-2019) | 3,295 | 3,831 | 2,054 | **9,180** | 241.8 | 150 | 37.2 | **429** |
| | **Neighbourhoods & Adult Social Care Sub Total** | **5,045** | **3,931** | **2,154** | **11,130** | **241.8** | **150** | **37.2** | **429** |
| **TOTAL** | | **11,615** | **6,575** | **4,456** | **22,646** | **346.64** | **180.6** | **69.7** | **596.94** |

**CYPS**

## ASR REF NO: CYPS-01

**CURRENT SERVICE SUMMARY** ***: School Catering***

| | | |
|---|---|---|
| **Directorate:** | EDS | **Brief description of service:** The core business is the provision of meals for schools, pupils and parents in Rotherham. The outcomes achieved by the service extend beyond the provision of lunch time meals with breakfast and mid-morning services provided to schools. By the provision of health and nutritious food, contributing to the key areas of academic achievement and reducing obesity and malnutrition. The service is proactive in minimising the number of packed lunches supplied from home and improving the take up of school free meals which is a key priority in the School Food Plan. The Catering service recognises its duty of care for citizens and is active through the Health Eating & Obesity agenda assists in the provision of nutritionally balanced meals which comply with The Education (Nutritional Standards and Requirements for School Food) (England) Regulations 2007 (amended). The overall objective of Catering Services is to ensure that a customer focused, value for money service is provided which meets the priorities and objectives of the Councils corporate planning and strategic direction. Alternative commercial providers will have a profit-based focus which experience shows (returning customers and PFI contract interaction) that additional charges are made for activities which previously were negotiated rather than charged to the customer. Fixed contracts with commercial companies will reduce the overall flexibility of this workforce to react to council requirements from an operational, economic and strategic perspective. |
| **Advisory Cabinet Portfolio:** | Cllr Watson | |
| **2015/16 Budget (£'000 Gross):** | 8710 | |
| **2015/16 Budget £'000 Income:** | -9268 | |
| **2015/16 Budget (£'000 Net):** | 558 | |
| **2015/16 Budget FTE:** | 231 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Traded account – requirement to increase surplus target to achieve saving proposal | Traded agreement with surpluses re-invested into the service. Hence, impact may result in reduction in investment available for the service and on the financial viability going forward to compete.<br>Potential long term effect: reduction in investment (equipment, new processes, cashless system) with result in reduction in contracts as the operations become dated, uneconomical and not commercially viable, which may reduce the income available to achieve surplus – the impact could increase year-on-year. There may be environmental compliance issues to consider, which force the investment at potentially a higher cost; and potential health and safety issues as a result of reduced investment.<br>**RAG Status:** Amber | 83 | | | | | | 83 | |
| B | Traded | Traded agreement with surpluses re-invested into the service. Hence, | | 40 | | | | | 40 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | account – requirement to increase surplus target to achieve saving proposal | impact may result in reduction in investment available for the service and on the financial viability going forward to compete.<br>Potential long term effect: reduction in investment (equipment, new processes, cashless system) with result in reduction in contracts as the operations become dated, uneconomical and not commercially viable, which may reduce the income available to achieve surplus – the impact could increase year-on-year. There may be environmental compliance issues to consider, which force the investment at potentially a higher cost; and potential health and safety issues as a result of reduced investment.<br>**RAG Status: Amber** | | | | | | | | |
| C | Traded account – requirement to increase surplus target to achieve saving proposal | Traded agreement with surpluses re-invested into the service. Hence, impact may result in reduction in investment available for the service and on the financial viability going forward to compete.<br>Potential long term effect: reduction in investment (equipment, new processes, cashless system) with result in reduction in contracts as the operations become dated, uneconomical and not commercially viable, which may reduce the income available to achieve surplus – the impact could increase year-on-year. There may be environmental compliance issues to consider, which force the investment at potentially a higher cost; and potential health and safety issues as a result of reduced investment.<br>**RAG Status: Red** | | | 40 | | | | 40 | |
| | **TOTAL** | | 83 | 40 | 40 | 0 | 0 | 0 | 163 | 0 |

**COMMENTS ON ABOVE PROPOSALS:**

The number of schools moving to Trust and Academies has resulted in many choosing an alternative model for school meal provision.
The council decision to move to the Living Wage has had a significant impact on the cost of the service provision.
The government policy for the provision of Universal Infant Free School Meals has had a significant impact on meal numbers provided and positive economies of scale. Labour profiles are determined by an agreed staffing scale based on an average meal uptake per month, adjustments are made monthly to reflect the change in meal numbers which follow seasonal patterns. This process ensures effective costing, performance and achieves the levels of health and safety and risk assessment required for the catering environment. The RAG status is based on this trend continuing, however, the extent of take up cannot be guaranteed and the Living Wage impact may be more apparent in customer decisions on alternative models by 2018/19.
The management levels have been reduced significantly as the Manager is now shared between Catering and Facilities Services. Any further reductions will result have a major impact on customer service, compliance monitoring and staff welfare.

## ASR REF NO: CYPS-03

## CURRENT SERVICE SUMMARY *Early Years and Childcare*

| | |
|---|---|
| **Directorate:** | CYPS |
| **Advisory Cabinet Portfolio:** | Cllr Watson |
| **2015/16 Budget (£'000 Gross):** | 613 |
| **2015/16 Budget £'000 Income:** | -47 |
| **2015/16 Budget (£'000 Net):** | 566 |
| **2015/16 Budget FTE:** | 19.5 |

**Brief description of service:**

The Early Years and Child Care Service provides statutory services to Early Years settings, childminders, schools, both in the maintained, private and voluntary sector and for parents and children. The main focus of the work is with children under five, in order that children from the age of birth to five have the very best start in life by accessing high quality education and childcare provision. This is a crucial stage for children, if we get it right at this stage with communication and language development, basic literacy and numeracy skills it enables children to achieve later within the school system. There are 15,000 children under the age of 5 in Rotherham. The EPPE (Effective Provision of Pre-school Education) national research study found that the quality of a child's pre-school experience has lasting effects on their ability to achieve in education as they get older and a chance to escape poverty and have improved life chances. The work of the service ensures the Council meets its statutory duties with regard to the Childcare Act 2006 (sections 6,7,9,12,13, 31 to 38, 39 to 48, 49 to 98). This includes:- the LA's responsibility for the educational outcomes of all children by the age of 5; LA to secure sufficient childcare provision across the Borough; secure good quality (as measured through Ofsted inspection) Early Education places for children; provide information and advice to parents and carers about childcare and services for children up to the age of 19 (25 for young people with a disability); secure provision for training for all early years and childcare providers; offering 1 to 1 support to all potential new providers to meet Ofsted registration requirements; provide support and challenge to any settings, including schools where the quality of provision for children is less than good. If a setting is providing inadequate provision the LA has a duty to withdraw early education funding; statutory duty to moderate the accuracy of the Early Years Foundation Stage Profile assessment of children at the end of the reception year on an annual basis. Required to complete an annual moderation visit to at least 25% of the total number of schools completing the Profile and to provide training to all practitioners administering the Profile.

The Early Years and Childcare service supports approximately 500 providers across Rotherham - in both the school and private and voluntary sector who deliver early education and childcare to children between the ages of birth to five. These providers include pre-schools; childminders; day nurseries, out of school clubs (up to the age of 8) and all schools with children under the age of 5.

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Management saving – A senior manager (Band H) to reduce | Minimal impact anticipated – no direct impact to the public. Some impact on more senior management staff who may need | 15 | 0 | 0 | 0.4 | 0 | 0 | 15 | 0.4 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | hours by 2 days<br><br>**RAG status Green** | to pick up any urgent issues which arise on the two non working days. Some impact on more senior management staff who may need to pick up any urgent issues which arise on the two non working days.<br>Increased workload pressure on another member of staff who will take on some data analysis tasks within their current role.<br>Savings equate to a 3% management reduction through staff loss. | | | | | | | | |
| C | An increased contribution to the salaries of 4.2 FTE staff within the Early Years and Child Care Service - to be paid from the DSG Early Years block, instead of revenue budget, This is an approach that other local authorities already take and is acknowledged by the Government that a small element of EY DSG block can be used for centrally retained spending.<br><br>An element of the 4.2 FTE staff's work, enables the LA to continually meet its duties around ensuring there are sufficient numbers of children taking up their early education places, and the 'pass-porting' of DfE funding from the DSG | At present 0.1% (95k) of the total EY DSG block (12.9m) is used to contribute to the salary costs of 4.2 FTE staff in the Early Years and Child Care service. Their work results in the LA meeting its duties around 'pass-porting' Early Education funding to Early Years providers and also eligibility checking of children aged 2, 3 and 4. This involves pass porting funding to approximately 168 PVI providers and 3,558 children each term.<br><br>The proposal is to increase the salary contribution towards 4.2 FTE staff from 95K to 147K, an increase from 0.1% to 1.1% of the total EY DSG block, releasing 52K from revenue.<br><br>If the early education funding is not appropriately managed and administered 2, 3 & 4 year olds will not be able to access their early education place across the borough. The 2 year old children are the most vulnerable children.<br><br>Based on the EY DSG block funding formula implemented in 2014/15, this budget generates a small surplus. The 2014/15 surplus was approved against a | 52 | | | | | | | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | EY's block for 2, 3 and 4 year old children to schools and early years providers in the private and voluntary sector, including childminders. | 'one off' activity.<br>In future years the surplus would cover the cost of the additional 52K required from 2016/17 onwards<br><br>However, an amber risk has been identified due to the fact the ChildCare Bill 2015, is at present going through Parliament. This may have implications for the way in which the EY DSG funding formula is calculated in the future, , which may affect the amount that can centrally retained and also how hourly rate is distributed to all providers<br><br>Also agreement from the schools forum would be required for centrally retained spending from the EY DSG block<br><br>This means that 52K could be saved from the small surplus from the EY DSG block 2015/16, and could be used against the revenue saving for 4.2 staffing costs in 2016/17, if agreed by the Schools Forum.<br><br>The risk is whether this can be sustained in 2017/18 onwards, due to unknown outcome of the Child Care Bill 2015, plus seeking annual agreement from the schools forum.<br><br>**RAG: AMBER** | | | | | | | | |
| D | Early Years and Childcare Service funding to reduce further through continued efficiency savings and finding smarter ways of working | Minimal impact anticipated – limited impact on public.<br><br>Managers and all early years staff will take responsibility to further reduce resources and work more efficiently. No new IT / phone equipment will need to be purchased over the next 2 years. | 18 | 27 | 0 | 0 | 0 | 0 | 45 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | **RAG status Green** | Reductions in the promotional materials used to promote the two year early education places as we already have a high take up compared to national levels. This has a potential impact on the public as some new parents may not become aware that their child could access this provision, however alternative lower cost methods will be used. | | | | | | | | |
| E | Income generation from delivering training to Private, Voluntary and Independent (PVI) Early Years providers<br><br>**RAG status Green** | This is reliant on Ofsted registered childcare and early education providers, including Childminders, buying our training and on our ability to deliver training whilst also delivering services to meet our Statutory Duties. Providers already pay for training that is provided and a slight increase in charges should achieve this saving. | 0 | 3 | 0 | 0 | 0 | 0 | 3 | 0 |
| | **TOTAL** | | 85 | 30 | 0 | 0.4 | 0 | 0 | 115 | 0.4 |

**COMMENTS ON ABOVE PROPOSALS:**
The above details the 21.5% savings which the Early Years Service proposes to make in 2016/17 and 2017/18. This meets the 15% management reduction target. However, in order to save £52K of revenue from staffing costs in 2016/17 whose roles and functions are around the early education systems and processes, this will need to be covered from the DSG block. The rules of allocation of Early Education funding within Rotherham's Early Years DSG blocks is permitted for usage to cover staff costs who are undertaking this function. The DfE are at present reviewing the amount given in the LA Early Years block and have a shown a commitment to increase this. In order for this to occur, this proposal would need to be presented at Schools Forum, and ultimately the Strategic Director of CYPS to make a final decision.
It is proposed that in 2017/18 further savings are met through income generation from training and the annual Early Years conference.

## ASR REF NO: CYPS-04

## CURRENT SERVICE SUMMARY – School Planning, Admissions and Appeals, School Improvement

| | | |
|---|---|---|
| **Directorate:** | CYPS | **Brief description of service: School Planning, Admissions and Appeals**<br>All functions are statutory:<br>School Improvement statutory function including knowing all schools performance, intervention in underperforming schools, work with Governors, moderation and Elective Home Education.<br>Processing school admissions applications for both Maintained Schools and as a traded Service with Academies.<br>Provision of an Admission Appeals Service, Provision of a Fair Access protocol for Primary and Secondary Schools.<br>Monitoring and tracking Children not on roll at a school and referral to Children Missing Education function in Education Welfare Service and other bodies as appropriate.<br>Forward planning of school places, securing of capital for future education provision eg basic need, Section 106, CIL, targeted basic need, leading on statutory consultations such as annual admissions consultation, school prescribed alterations, annual report to the schools adjudicator, maintaining and refreshing catchment area information, school calendar setting, contingency for pupil growth funding allocations etc.<br>Risk Management – coordination of health and safety procedures for schools, Emergency Planning Directorate Lead, Business Continuity Directorate Lead, Insurance Claims Directorate Lead, Strategic Register Directorate Lead.<br>Following restructure of Education and Skills the Service is now responsible for the LAs statutory duty to ensure the safe moving and handling of children with disabilities in education in the Borough through management of a Paediatric Physiotherapist seconded from NHS Rotherham. |
| **Advisory Cabinet Portfolio:** | Cllr Watson | |
| **2015/16 Budget (£'000 Gross):** | £2,623,720 | |
| **2015/16 Budget £'000 Income:** | £1,662,635 | |
| **2015/16 Budget (£'000 Net):** | £2,623,720 | |
| **2015/16 Budget FTE:** | 36.38 FTE<br>(13.15 Revenue<br>23.28 Traded<br>0.95 Grant<br>0.5 Early Years)<br>11 x School Planning Admissions & Appeals<br>1 x Apprentice until 31.12.15<br>1 x Moving & Handling Coordinator from August 2015 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Renewal of existing 2 year SLAs with Academies due WEF September 2016 to include financial uplift in Risk Management offer to include Manual Handling service as part of standard offer. Implement SLE offer to | Competitive uplift in cost to include manual handling consultation and training as part of standard offer and inclusion of a training charge to schools to 'off set' revenue costs.<br><br>**RAG:** Amber<br>Dependant on successful consultation and negotiations with schools. | 20 | 0 | 0 | 0 | 0 | 0 | 20 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | maintained schools for manual handling services. | | | | | | | | | |
| B | 2016/17 projected income profile is £146k for existing traded services based on current Academy level (assuming current buy back rate maintained). | This increased income profile would further reduce the revenue costs to the Council.<br><br>**RAG: Amber**<br>Dependant on successful renegotiation of offer to Academy Trusts. | 146 | 0 | 0 | 0 | 0 | 0 | 146 | 0 |
| | **TOTAL** | | 166 | 0 | 0 | 0 | 0 | 0 | 166 | 0 |

**COMMENTS ON ABOVE PROPOSALS:**
School Place Planning, Admissions and Appeals statutory functions, Children Missing Education cross service post, Directorate Lead on Health and Safety, Risk Management, Emergency Planning, Business Continuity and Insurance Claims, Manual Handling Assessment, advice, guidance, support, training and care planning.
The School Planning, Admissions and Appeals Service has a lower total expenditure and staffing profile than statistical neighbours and has a low financial profile compared to regional and national counterparts. Our Service is a comparator for Admissions and Appeals service but has a much wider remit than comparators – also including school Organisation, Risk Management and Paediatric Manual Handling service in our portfolio.
The Service processes 10,000+ admissions applications annually, presents over 400 admissions appeals annually, has a historic 90% + profile for 1st preference applications for a reception / Y7 school place during the normal admission round and has a positive DfE school place planning basic need score card – delivering above the national average new places in good or outstanding schools and being below national average on cost of new places.
Given the diversity of our portfolio we have been able to embark on a program of 'up skilling' staff to provide contingency cover in depth. We increasingly offer traded services as schools convert to Academy status although even if schools do not 'buy back' there is a minimum level of service that the LA must statutorily provide in relation to Admissions, Appeals, Fair Access and Risk Management. Other areas of the Service eg School place planning, statutory returns to Schools Adjudicator, School Capacity and Planning (SCAP) returns, Admissions consultations, prescribed alterations, additional infrastructure, Contingency for pupil growth allocations etc remain that of the LA and the Council cannot pass these costs on to schools via traded service.
With the DfE's 'coasting schools' agenda there are likely to be more schools converting to Academy Status over the next 1 – 5 years. This would mean more opportunities to expand traded services income, further reducing reliance on revenue to fund posts.
Difficult to project number of Academy conversions and timeline as this is for Governing Bodies and DfE to determine, however Academies SLA financial contributions to the Service are applicable from date of conversion.
RAG: Currently it is not possible to identify the impact of the recently announced government policy.

## ASR REF NO: CYPS-07

## CURRENT SERVICE SUMMARY – Safeguarding, Children & Families

| | | |
|---|---|---|
| **Directorate:** | **CYPS** | **Brief description of service:** Statutory Children's Social Care Services including Multi-Agency Safeguarding Hub, Duty and Assessment Teams, Evolve Team (CSE), Looked After Children including residential care provision, fostering and adoption, Care leavers. |
| **Advisory Cabinet Portfolio:** | Cllr Watson | |
| **2015/16 Budget (£'000 Gross):** | £30.8m | |
| **2015/16 Budget £'000 Income:** | £1.2m | |
| **2015/16 Budget (£'000 Net):** | £29.6m | |
| **2015/16 Budget FTE:** | 343.95 FTE | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Children's Social Care Management | Review of management's spans of control following delivery of savings predicated on benefits in reduced demand along a continuum resulting from Early Intervention and Prevention and secured service improvements for Children and Young People.<br><br>**RAG Status:** Green | 0 | 0 | 300 | 0 | 0 | TBA | 300 | TBA |
| B | Residential Care Provision | Review of internal Residential Care Provision assuming 1st April Financial Year end.<br><br>Efficiencies achieved from integration of management.<br><br>**RAG Status:** GREEN | 515 | 0 | 0 | TBA | 0 | 0 | 515 | TBA |
| | **Total** | | **515** | **0** | **300** | **TBA** | **0** | **TBA** | **815** | **TBA** |

# ASR REF NO: CYPS-9

## CURRENT SERVICE SUMMARY – Early Help

| | | |
|---|---|---|
| **Directorate:** | **CYPS** | **Brief description of service:**<br><br>Children's services are developing an integrated, borough wide, early help offer targeting early help services to prevent the need for high cost social care intervention and secure better outcomes for Children, young people and their families. Through early identification of need in universal settings we can intervene early to prevent identified needs escalating into complex and costly interventions at a later point. Work is structured across 3 geographical areas (North, South and Central) and x9 Locality Teams. |
| **Advisory Cabinet Portfolio:** | Cllr Watson | |
| **2015/16 Budget (£'000 Gross):** | £10.5m | |
| **2015/16 Budget £'000 Income:** | £4.1m | |
| **2015/16 Budget (£'000 Net):** | £6.4m | |
| **2015/16 Budget FTE:** | 261.76 FTE | |

## SAVINGS PROPOSALS:

| **Ref:** | **Action** | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | **16/17** £'000 | **17/18** £'000 | **18/19** £'000 | **16/17** FTE | **17/18** FTE | **18/19** FTE | **TOTAL** £'000 | **TOTAL** FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| E | Rationalisation of management as FRP outreach staff move into locality teams. (Removal of Family Recovery Programme Team Manager) | Family Recovery Programme (FRP) outreach staff will be managed by Early Help team managers. This will ensure consistent support is in place post FRP Manager exit.<br><br>FRP outreach staff being based in locality teams will provide quality intensive family support to vulnerable, complex need families. Intelligence gained through locality working will support intensive outreach interventions. | 44 | 0 | 0 | 1 | 0 | 0 | 44 | 1 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | FRP outreach staff are confident and assertive practitioners who will be able to model and support other EH staff to provide effective interventions for families. Basing FRP outreach staff in localities will further strengthen partnership working. FRP outreach staff already co-ordinate support across adult's and children's services; through a move to locality model, there is likely to be minimal impact in terms of delivering to FRP model.<br><br>**RAG Status: Green** | | | | | | | | |
| F | Reduce travel of staff to deliver outreach support to families. Current budget for mileage (car allowances) is £14,000 | Move to locality teams will reduce the travel requirements for outreach staff. Based in localities, staff will reduce mileage claims through no longer having to cover borough wide caseloads. This will have no impact of levels of service available to clients and will increase available case time per worker.<br><br>**RAG Status: Green** | 6 | 0 | 0 | 0 | 0 | 0 | 6 | 0 |
| G | Review of family support services | Reviews of family support to inform remodelling and transformation of Early Help targeted family support model.<br><br>**RAG Status: Green** | 30 | 0 | 0 | 1 | 0 | 0 | 30 | 1 |
| | | | **80** | **0** | **0** | **2** | **0** | **0** | **80** | **2** |

## REF NO: CYPS-15

## CURRENT SERVICE SUMMARY – *SCHOOL CROSSING PATROLS*

| | |
|---|---|
| **Directorate:** | CYPS |
| **Advisory Cabinet Portfolio:** | Cllr Watson/Cllr Sims |
| **2015/16 Budget (£'000 Gross):** | 195 |
| **2015/16 Budget £'000 Income:** | 0 |
| **2015/16 Budget (£'000 Net):** | 195 |
| **2015/16 Budget FTE:** | 12.72 |

**Brief description of service:**

The provision of school crossing patrols is a discretionary service. It is not a legal requirement, although where a patrol exists there is a legal requirement for the council to manage them.

This is a highly regarded public service which forms part of the road safety activities to help children get safely to and from school.

The patrol times are generally 35 minutes each, morning and afternoon, which span the start and finish of the school day.

There are constant requests for additional patrol points for the schools not currently covered, although there are difficulties in recruiting to the existing posts.

There is a nationally agreed process for surveying a site to ascertain if it meets the criteria set out by RoadSafetyGB for a patrol point.

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | New income targets set for the service to develop collaborative funding arrangements for continuing crossing | The Council currently provides the funding for all School Crossing Patrol Points in Rotherham – 74 in total - at both local authority and Academy related sites. | 5 | 15 | 15 | - | - | - | 35 | - |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | points (i.e. medium & high risk) | This proposal would require the service to enter into collaborative (either shared or fully externally funded) Service Level Agreements with schools to provide more stable and sustainable future arrangements.<br><br>Delivery of this proposal will depend on the willingness and financial ability of schools – both Academy and Local Authority maintained - to enter into such arrangements, as well as ensuring the necessary legal compliance.<br><br>**RAG Status: Red** | | | | | | | | |
| | **TOTAL** | | 5 | 15 | 15 | - | - | - | 35 | - |

**COMMENTS ON ABOVE PROPOSALS**

## ASR REF NO: EDS-11 (Service now managed CYPS)

## CURRENT SERVICE SUMMARY Building Cleaning & Toilets

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:**<br>The core business is the provision of cleaning services for Rotherham schools, civic building, community provision (HRA), Cross agency agreements with NHS Rotherham for Breathing Space and Maltby Joint Service Centre and commercial trading agreements (Rotherham PFI Schools Partnership with Cofely) In addition All Saints Square Toilets are managed as part of the trading account management cost but provide a degree of income from customers to cover the operational cost of the attendance and the cleaning activity.<br>School cleaning accounts for 64% of the service contracts and provides clean and healthy schools for 70% or 87 schools in the Borough. This ensures that in these schools the pupils are learning in a clean and healthy environment, monitored to British Institute of Cleaning Science (BiCS) for an educational site.<br>A further 22% of the service contracts are office accommodation used by the public of the borough, which ensure the cleanliness of these areas, giving civic pride in the buildings. Finally 11% of the service contracts are engaged with the neighbourhoods to ensure an effective, timely and caring response is given to requests for assistance with social service cleans for members of the public who, generally through illness are finding it difficult to maintain a healthy and hygienic home environment. These contracts also include the timely turnaround of emergency housing within the furnished homes environment, VOIDS properties to ensure they are back available for retail as soon as possible and the weekly cleaning of the communal areas of council flats and wardens centres. |
| **Advisory Cabinet Portfolio:** | Cllr Lelliott/Cllr Watson | |
| **2015/16 Budget (£'000 Gross):** | 5,224 | |
| **2015/16 Budget £'000 Income:** | -5,162 | |
| **2015/16 Budget (£'000 Net):** | 62 | |
| **2015/16 Budget FTE:** | 266 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Conversion to an un-manned facility at All Saints Public Toilets<br>(1.6 x Band A – four staff affected) | All Saints Toilets has one attendant on duty through-out the day responsible for the collection of entry charges. The facility is open Monday to Saturday, 9am to 5pm and currently has 65,000 visits per year.<br><br>The conversion to an un-manned facility would remove the requirement for an attendant and leave only the cost of the daily cleaning of the unit. This would be £1,040 per annum.<br><br>**Cost of the conversion** | 6 | | | 1.6 | | | | 1.6 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | The cost of conversion would include installation of a turnstile and installation of CCTV, conversion of UV lighting and emergency telephone line. The cost of such works would be £12,841.<br><br>**RAG Status: Amber** | | | | | | | | |
| B | Removal of supervisory post (0.5 x Band G) | The support post currently monitors the suppliers and contractors involved in the provision of the cleaning services, particularly the PFI contract.<br><br>**RAG Status: Red** | | 15 | | | 0.5 | | | 0.5 |
| | **TOTAL** | | 6 | 15 | 0 | 1.6 | 0.5 | | 21 | 2.1 |

**COMMENTS ON ABOVE PROPOSALS:**

ASR 11A –

All Saints Toilets has been subsidised by the trading account for a number of years. There is a risk that an unmanned facility may result in an increase in misuse and anti-social behaviour. Mitigations are being put in place around CCTV cameras and regular checks by neighbourhood services.

ASR 11B –

If the reassigning of the work is not successfully transitioned there is a risk that penalties on contracts may be incurred. Work will be reassigned across the service. The workloads for existing operations team members will increase along with movement of staff responsibilities. Management of this impact will be achieved by planning the process now for 2017/18. The operational supervisory team will be reduced by 9%.

## ASR REF NO: EDS 12 (Now CYPS)

**CURRENT SERVICE SUMMARY Caretakers**

| | | |
|---|---|---|
| **Directorate:** | CYPS | **Brief description of service:** This service is the maintenance of the day-to-day Health and Safety of civic community and some school buildings. This includes fire alarm testing, legionella related activity and security. 24/7 call-out responsibilities for civic and NHS buildings including responsibilities within the Borough Emergency Plan. In addition, all the deliveries to Riverside, contractor receipt and monitoring and implementing emergency protocol building shut-down during office and out-of-hours. All the caretaking services are front-line, face-to-face provision which is funded via whole or part income generation. |
| **Advisory Cabinet Portfolio:** | Cllr Lelliott/Cllr Watson | |
| **2015/16 Budget (£'000 Gross):** | 631 | |
| **2015/16 Budget £'000 Income:** | -289 | |
| **2015/16 Budget (£'000 Net):** | 342 | |
| **2015/16 Budget FTE:** | 22.6 | |

**SAVINGS PROPOSALS:**

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Reduction of office accommodation caretaking staff (1 x Band C – equates to 10% of staffing levels) | Reduced maintenance regime (because of reduced staffing numbers).<br>Major issues regarding the ability to maintain an effective call-out rota and response to daytime and out-of-hour emergencies, due to reduced staffing numbers.<br>Significant increase to cost of Facilities Management (EDS) due to work not being completed by the caretakers and having to engage contractors. The FM (EDS) budget has identified savings in previous years by caretakers undertaking additional work.<br>There are significant contract implications which will be effective with NHS (Breathing Space and Joint Service Centre) this is likely to result in a breach of contract and penalty implementation.<br><br>**RAG Status: Red** | 25.5 | | | 1.0 | | | 25.5 | 1.0 |
| B | Remove the service supervisor | Significant risk to overall co-ordination of service and | | 32 | | | 1.0 | | 32 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | and directly manage by M2 manager<br>(1 x Band G – equates to 100% supervision of staff) | impact on income generation. The current role is responsible for overall health and safety, method statements, customer liaison and quotation. There would be a major impact on ability to meet these standards and achieve the current income level.<br><br>**RAG Status: Amber** | | | | | | | | |
| C | Further reduction of office accommodation caretaking staff<br>(0.5 x Band C – equates to 25% reduction in staff over 3 year period) | Maintenance of office accommodation would be reduced due to staffing numbers.<br>Major issues regarding the ability to maintain an effective call-out rota and response to daytime and out-of-hour emergencies due to reduced staffing numbers.<br>Significant potential increase to cost of Facilities Management (EDS) due to work not being completed by the caretakers and having to engage contractors. The FM (EDS) budget has identified savings in previous years by caretakers undertaking work – this can only take place if the staffing levels enable this health and safety completion.<br>There are contract implication to consider which will be effective with NHS (Breathing Space and Joint Service Centre).<br><br>**RAG Status: Red** | | | 20 | | | 0.7 | 18 | 0.7 |
| | **TOTAL** | | 25.5 | 32 | 20 | 1.0 | 1.0 | 0.7 | 77.5 | 2.7 |

**COMMENTS ON ABOVE PROPOSALS:**

The caretaking budget is largely made up of office accommodation (60%) with other elements being traded services with school/youth service (28%) and Community Caretaking (11%).

Any change to the traded service will remove the income generated by that service and customers would have to look elsewhere for provision – the traded

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| service is successfully and contributes to the overall income generation.<br><br>The Community Caretaking Budget is already linked to a saving agreed in 2014/15 with a 2015/16 impact. The saving has not been implemented as no decision has been taken on the closure of Community Buildings. This should be cross-referenced with the Major Projects ASR on Buildings.<br><br>Savings therefore can only be achieved through the reduction of office accommodation caretakers and are subject to a health and safety risk assessment in taking this action, along with the subsequent cost increase to Facilities Management through having to employ contractors to undertake activity to comply with legislation - hence the RAG rating. | | | | | | | | | | |

## ASR REF NO: EDS-14 (Now CYPS)

## CURRENT SERVICE SUMMARY *(Hospitality)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbour hoods | **Brief description of service:**<br><br>The account is a traded service to provide a catering (Café) outlet for Riverside House, along with the hospitality for use by officers within the building for meetings. Both areas of the service emerged as a direct result of WorkSmart survey information to staff as part of the WorkSmart implementation program. |
| **Advisory Cabinet Portfolio:** | Cllr Lelliott | |
| **2015/16 Budget (£'000 Gross):** | 227 | |
| **2015/16 Budget £'000 Income:** | 223 | |
| **2015/16 Budget (£'000 Net):** | 4 | |
| **2015/16 Budget FTE:** | 5 | |

## SAVINGS PROPOSALS:

| **Ref:** | **Action** | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | **16/17** £'000 | **17/18** £'000 | **18/19** £'000 | **16/17** FTE | **17/18** FTE | **18/19** FTE | **TOTAL** £'000 | **TOTAL** FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Review of the hospitality arrangement and re-assignment of salary cost | Availability of emergency hospitality will be reduced. Management of the capacity has been difficult due to differing interpretations of the policy on hospitality provision.<br><br>**RAG Status:** Green | 1 | | | | | | 1 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | Review of service to improve the traded position of the cafe | The merging with education school catering has resulted in the adaption of similar working practices.<br><br>Main impact: continued adaptation of commercial activity may result in complaints from RMBC staff who continue to request café discounts for employees which conflicts with commercial practice and achievement of income targets.<br><br>Living wage salary scales have had a impact of commercial viability.<br><br>**RAG Status: Green** | | 2 | | | | | 2 | |
| | **TOTAL** | | 1 | 2 | 0 | 0 | 0 | 0 | 3 | 0 |

**Environment & Regeneration**

## ASR REF NO: EDS 1

## CURRENT SERVICE SUMMARY – Business Unit

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** Very small unit with 2.1 FTE's, includes training budget. (Corporate costs, Strategic Director post and past pension costs excluded) |
| **Advisory Cabinet Portfolio:** | Councillor Read | |
| **2015/16 Budget (£'000 Gross):** | 354 | |
| **2015/16 Budget £'000 Income:** | -23 | |
| **2015/16 Budget (£'000 Net):** | 331 | |
| **2015/16 Budget FTE:** | 3.1 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Reduction of 0.5 FTE Workforce development post | Less investment in staff re: reduced training budget<br><br>**RAG Status**: Green | 22 | | | 0.5 | | | 22 | 0.5 |
| B | Reduce non-pay budgets further | Total Non-Pay Budget = £129k which is largely made up from a central Directorate training budget. There is a small impact on printing and general office running expenses (which was a larger budget but has been reviewed and adjusted because each section/Department manages their own costs). The majority of this saving would be taken from the Training budget which would however affect the delivery of training within the Directorate. The training budget is £129K which helps fund 5 apprentices and 1 intern (for Libraries) in EDS costing £31,700<br><br>This is for a 12 month contract but some didn't start until later in the financial year so they will spill over to next financial year (approx. £7,000). | 34 | 0 | 0 | 0 | 0 | 0 | 34 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **RAG Status**: Amber | | | | | | | | |
| | **TOTAL** | | **56** | **0** | **0** | **0.5** | **0** | **0** | **56** | **0.5** |

## ASR REF NO: EDS 2

## CURRENT SERVICE SUMMARY *: Economic Development and Business Retail Investment teams (RiDO)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** Inward Investment, Business Support, Business Start-up Advice, Business Incubation, Business centres Operation and Management, Town Centre Inward Investment and Business Support, Markets Operation and Management, Economic Strategy, Partnership working with LEP and SCR, Physical Development, development and delivery of Economic Growth Plan, external funding and the Visitor Centre |
| **Advisory Cabinet Portfolio:** | Cllr Lelliott | |
| **2015/16 Budget (£'000 Gross):** | 1,165 | |
| **2015/16 Budget £'000 Income:** | -702 | |
| **2015/16 Budget (£'000 Net):** | 463 | |
| **2015/16 Budget FTE:** | 49 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | Merge the RiDO Economic Development and Business retail and investment teams, to create one team with joint management. | This is achievable and would closer align the work of the two teams. Would mean a reduction of one senior post which will impact on RiDO and Economic Development work and impact.<br><br>**RAG Status:** Amber | 60 | 0 | 0 | 1.0 | 0 | 0 | 60 | 1.0 |
| D | Increase rental charges for clients in the Council's Business Centres by 2% year on year | Potentially there could be a loss of tenants, - charges are currently set at £11.50 - £14.64 per sq. ft. which is significantly above the general market rate for workshops and offices in Rotherham but reflects the added value of the Business Centre offer.<br><br>**RAG Status:** Green | 9 | 9 | 9 | 0 | 0 | 0 | 27 | 0 |
| | **TOTAL** | | 69 | 9 | 9 | 1 | 0 | 0 | 87 | 1 |

## ASR REF NO: EDS 3

## CURRENT SERVICE SUMMARY- PLANNING SERVICE

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** Planning Service - covering the statutory functions of Planning Policy (producing and implementing the Local Plan) Development Management (providing advice on and processing all planning applications) and Local Land Charges (property addressing and searches) production of Local Land Charges Searches, Street naming and numbering and Land and Property Gazetteer. |
| **Advisory Cabinet Portfolio:** | Councillor Lelliott | |
| **2015/16 Budget (£'000 Gross):** | 1,579, | |
| **2015/16 Budget £'000 Income:** | -1,080 | |
| **2015/16 Budget (£'000 Net):** | 499 | |
| **2015/16 Budget FTE:** | 34 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Restructure of Planning Policy to remove 1x senior planner post | The service has also been considerably reduced through both natural wastage and a previous restructure. 2 FTEs were removed from the establishment in 14/15 however it is considered that the current structure is top heavy and the loss of a senior planner post – while likely to have an impact on ability to meet timescales for Local Plan preparation and is a risk if early review of the plan is triggered – it is considered that the reduction can be accommodated.<br><br>The post would be a management saving and would equate to 9% of the team.<br><br>**RAG status**: **Green** | 45 | | | 1.0 | | | 45 | 1.0 |
| B | Restructure of Local Land Charges (LLC) Section to create a £27,000 saving | LLC is a small service of just 4FTE's but efficiency savings have reduced down workload. The responsibility within the section for the Councils mapping system | | 27 | | | 1.0 | | 27 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | should be removed by improvements by corporate I.T and once implemented the saving can be made. The status is red due to delays in ICT implementation. A restructure would be required to reallocate tasks and responsibilities to enable the saving to be made.<br>The saving of 1 post would be a 25% saving from the team<br><br>cannot achieve in 16/17 as new IT mapping system not in place – advised by IT to put in 17/18 savings<br><br>**RAG status : Red** | | | | | | | | |
| C | Reduce Planning policy budget (inc. £10K subscription to Limehouse – on line consultation portal) | Staff reductions have meant that consultants have been required to complete work where there is either not the capacity in house or the expertise to complete projects. As further elements of the Local Plan are adopted the workload will reduce, however there is a risk that one off projects will still be required or that if an early review of the plan is triggered that the budget will not be sufficient to complete the work. Cancelling subscription to Limehouse will require an in-house alternative to be provided.<br><br>**RAG status: Green** | 15 | 22 | | | | | 37 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| D | Restructure of enforcement staffing levels to create a £20,000 saving | Development Management have reduced staff to a level which is not sustainable and, other than existing I.T contacts for on-line work, have no other spend budget. Recent recruitment to a full time enforcement post will result in the ability to reduce existing resource once new working arrangements have been implemented. Enforcement team would be 1.5FTE and the proposal is to reduce by 0.5FTE i.e. 33% reduction.<br><br>**RAG status**: **Green** | 0 | 20 | | | 0.5 | | 20 | 0.5 |
| E | Increased planning fees | When the Local Plan is adopted and attractive sites are released to the market planning fees will increase.<br>**RAG status** : **amber** | | | 18 | | | | 18 | 0 |
| F | Merge Building control and Planning to create one team.<br><br>Joint managed | Combining the management structures to release savings is achievable, and would assist closer working between the two teams.<br><br>50% saving at M3 level which would require management of the function to be brought within the remit of one M3 manager instead of two.<br><br>**RAG Status**: **Green** | 55 | | | 1.0 | | | 55 | 1.0 |
| | **TOTAL** | | 115 | 69 | 18 | 2 | 1.5 | 0 | 202 | 3.5 |

***COMMENTS ON ABOVE PROPOSALS:***

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| Staffing has previously been reduced to a level that is no longer sustainable therefore savings have been made from other budgets however the staffing savings that have been proposed are mainly at managerial level.<br>Enforcement is an issue that members have strong links to and they may not approve the reduction in enforcement resource however the priority should be the statutory elements of planning and enforcement is not a statutory function.<br>The reason behind the red/amber status for B and E is that these elements are outside of our direct control<br>E - Planning fees are difficult to predict however in the year 18/19 all the new sites form the Local Plan will be released as development sites which should have a direct impact on planning fees as applications increase, it would be unreasonable to make further staffing savings as this period of high workload approaches, therefore this is planning for a known event. | | | | | | | | | | |

# ASR REF NO: EDS 4

## CURRENT SERVICE SUMMARY – Building Control

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:**<br><br>To ensure compliance with Building Regulations, which are minimum standards for the design and construction of buildings to ensure the health and safety for people in or around those building's. They also include requirements to ensure the conservation of fuel and power and that facilities are provided for people, including those with disabilities, to access and move around inside buildings.<br><br>Building Control also as controls regarding health and safety aspects of demolitions, dangerous structures and provides advice to licencing and of events and sports grounds. |
| **Advisory Cabinet Portfolio:** | Councillor Lelliott | |
| **2015/16 Budget (£'000 Gross):** | 504 | |
| **2015/16 Budget £'000 Income:** | -394 | |
| **2015/16 Budget (£'000 Net):** | 110 | |
| **2015/16 Budget FTE:** | 11.5 | |

## SAVINGS PROPOSALS:

| **Ref:** | **Action** | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | **16/17**<br>**£'000** | **17/18**<br>**£'000** | **18/19**<br>**£'000** | **16/17**<br>**FTE** | **17/18**<br>**FTE** | **18/19**<br>**FTE** | **TOTAL**<br>**£'000** | **TOTAL**<br>**FTE** |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Increasing number of applications and incidental fees, and review fees and charges – additional income | Over the past four years this has been seen to be is the best line of action to increasing fee income to meet costs and thus reducing the Building Control Sections take on Rotherham Council's and EDS's budget.<br><br>Local Authority Building Control (LABC) Partnership Scheme is a nationwide scheme where an individual Authority can partner with a major company to undertake all building control services throughout England & Wales. | 25 | 20 | 0 | 0 | 0 | 0 | 45 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17<br>£'000 | 17/18<br>£'000 | 18/19<br>£'000 | 16/17<br>FTE | 17/18<br>FTE | 18/19<br>FTE | TOTAL<br>£'000 | TOTAL<br>FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | For example Rotherham Building Control is partnered with national companies such as 'SofaWorks' – (as in the TV advert), and the Construction side of 'Kier Group'.<br><br>We are also partnered with numerous local and regional Architectural practices and developers.<br><br>Outcome:<br><br>We continue to strive very hard at providing an excellent and cost effective service to these and the people of Rotherham, and are continuously on the lookout for new customer bases and ways of extending our existing services.<br><br>• Increase income<br>• Excellent reputation<br><br>**RAG Status: Green** | | | | | | | | |
| | **TOTAL** | | **25** | **20** | **0** | **0** | **0** | **0** | **45** | **0** |

## ASR REF NO: EDS 5

## CURRENT SERVICE SUMMARY - Libraries and customer services

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** Rotherham has transformed its library and customer services offer in recent years through the merger of customer services with the library service. The library function within the service is statutory. It is the overall statutory duty of the authority to provide a 'comprehensive and efficient library service for all persons desiring to make use thereof.' The duty arises in relation to people who are residents, work in or are in full time education in the borough (Public Libraries and Museums Act 1964). There are 15 community libraries across the borough. 6 of these libraries have been merged with Customer Services and joint service provision is offered. Staff members are generically trained in library and customer services processes at these sites. In addition there is a mobile library service, a “booklink” vehicle which supports vulnerable adults who are housebound or in residential care and a Schools Loan Service which is a service offering resources to support schools.<br>The service is provided to anyone living, working or studying in Rotherham. The service promotes a love of reading and helps to improve literacy. It provides children and young people with a safe, inspiring place to learn, explore their creativity and find their talent.<br>It provides spaces where adults can engage in informal learning develop skills and improve their lives.<br>It supports businesses and contributes to the sustainability and regeneration of our local communities.<br>It bridges the digital divide and provides an essential point of access to online resources, including council services. It offers information, reading and support services that can improve the health and wellbeing of customers.<br>The following customer activity is delivered by the service: (Library only) Free access to books, e books and other reading material including spoken word and large print, ICT classes and courses, supported access to the internet, work clubs - support for employment, adult and children's reading groups, children's summer reading challenge, class visits, rhyme time sessions, activities for children and families, performances, events and exhibitions, books on prescription, CD and DVD hire and local history sessions; (Additional face to face customer services delivered at joint service sites) - customer enquiries, payments, applications, appointments, eligibility assessments and requests for services relating to housing benefits and council tax reduction, revenues (including Council Tax, Business Rates, Former Tenant Arrears, Free School Meals), housing, planning and building control, blue badge and concessionary travel, electoral register searches, licensing, streetpride, land searches and drainage searches. |
| **Advisory Cabinet Portfolio:** | Neighbourhood working and Cultural Services (T. Yasseen) | |
| **2015/16 Budget (£’000 Gross):** | 4,112 | |
| **2015/16 Budget £’000 Income:** | -459 | |
| **2015/16 Budget (£’000 Net):** | 3,653 | |
| **2015/16 Budget FTE:** | 121.3 | |

## SAVINGS PROPOSALS: Option 1

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Creation of a centralised team - merger of Schools Loan Service, Stock, Libraries on the Go and the Customer Access team to gain economies of scale | Impact on capacity and skills development.<br><br>Staffing review required<br><br>Reduction in posts: c 2FTE<br><br>**RAG status: Green** | 37 | | | 2.0 | | | 37 | 2.0 |
| B | Closure of mobile service (consultation required) | Estimated potential number of affected customers = 473 (274 aged 0-17, 40 aged 18-49 and 159 aged 50+). Service could be replaced with a range of alternative service delivery models, including "deposit collections" within communities, "click and collect/click and delivery" services, home delivery service, e-readers for loan. Potential impact on customer satisfaction if alternative service offer is felt to be inadequate. Potential challenge to statutory nature of comprehensive and efficient service.<br>Savings included would require closure of service.<br><br>Public consultation required (14 community locations). Equalities analysis required.<br>Staffing review required<br>Reduction in posts: c. 3FTE<br><br>**RAG status: Red** | 57 | 25 | | 3.0 | | | 82 | 3.0 |
| C | Consolidation of booklink service and delivery van (consultation required) | Changes to services delivered to nursing homes, residential homes, sheltered accommodation, day care and customers in their own homes who are unable to access services in other ways. Customers would no longer be able to visit the Booklink vehicle, but would receive items chosen by/for them based on preferences. Would implement alternative service delivery models, including e-readers for loan. Impact on the frequency of delivery. Potential impact on customer satisfaction if | 23 | | | 1.0 | | | 23 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | alternative service offer is felt to be inadequate. Potential challenge to statutory nature of comprehensive and efficient service.<br><br>Public consultation required. Equalities analysis required.<br>Staffing review required<br>Reduction in posts: c1FTE<br><br>**RAG status: Red** | | | | | | | | |
| D | Replace face to face cashiering service with payment kiosks at Riverside House | Closure of the cashiering facility at Riverside House and move to alternative service offer of payment kiosks, in line with locality services at Aston, Rawmarsh, Swinton, Dinnington and Maltby. Provide "floor walker" to assist customers in making payments via the kiosks. Continuation of paypoint, post office, direct debit, recurring card payments and online payment methods. May impact on customer satisfaction for those who prefer paying face to face.<br><br>Public and partner consultation required. Equalities analysis required.<br>Staffing review required<br>Reduction in posts: c2FTE<br><br>**RAG status: Amber** | 22 | 22 | | 1.0 | 1.0 | | 44 | 2.0 |
| E | Introduction of online benefit claims and Risk Based Verification at Riverside House | Impacts on customers applying for Housing Benefit and Council Tax Reduction at Riverside House. Will reduce the need for face to face interaction with many customers. Will simplify the benefit application process, removing the need to see original verification evidence for approximately 50% of customers. An appointment based service will be introduced for those customers who do need to speak to a customer service officer face to face. An assisted digital process will be implemented to support those customers who need extra help. Impact on other services - Revenues and Benefits (who have been consulted on the proposal). | 21 | 80 | | 8.0 | | | 101 | 8.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Partner consultation required. Equalities analysis required.<br>Staffing review required<br>Reduction in posts c 8FTE. Savings profiled on assuming staffing levels are reduced in September 2016<br><br>**RAG status: Amber** | | | | | | | | |
| F | Introduction of online benefit claims and Risk Based Verification - Joint Service Centres | Impacts on customers applying for Housing Benefit and Council Tax Reduction at Joint Service Centres. Will reduce the need for face to face interaction with many customers. Will simplify the benefit application process, removing the need to see original verification evidence for approximately 50% of customers. An appointment based service will be introduced for those customers who do need to speak to a customer service officer face to face. An assisted digital process will be implemented to support those customers who need extra help. Impact on other services - Revenues and Benefits (who have been consulted on the proposal).<br><br>Public and partner consultation required. Equalities analysis required.<br>Staffing review required<br>Reduction in posts c 1.5FTE. Savings profiled on assuming staffing levels are reduced in September 2016<br><br>**RAG status: Amber** | 31 | 22 | | 1.5 | | | 53 | 1.5 |
| G | Relocation of services from Maltby library (Consultation required) | Impacts on the council's assets. Relocation of library services from the current building into the adjacent Joint Service Centre, offering a revised service and merged staffing in line with locality services at Aston, Dinnington, Swinton and Rawmarsh. Relocation of Schools Loan Service to Bailey House. Relocation of Library vehicle parking to Bailey House. Potential impact on customer satisfaction if relocated services are felt to offer a reduced range of facilities and activities. Could involve temporary closures and withdrawal of services during changes. Requires capital | | 29 | | | 2.0 | | 29 | 2.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | investment.<br><br>Public and partner consultation required. Equalities analysis required.<br>Staffing review required<br>Reduction in posts c2FTE.<br><br>**RAG status: Amber** | | | | | | | | |
| H | Alternative service delivery - community supported model | Retains library provision in all existing static locations. Moves to single staffing in 7 libraries across the borough. Would extend library self service facilities. Would extend some customer service provision to Mowbray Gardens and Wath libraries. Would encourage and support further community/partner involvement in services, including internships, student placements, apprentices and volunteers and Parish & Town Councils.<br><br>Public and partner consultation required. Equalities analysis and assessment of need required.<br>Staffing review required<br>Reduction in posts c5FTE<br><br>**RAG status: Red** | 59 | | 46 | 3.0 | | 2.0 | 105 | 5.0 |
| | **TOTAL** | | 250 | 178 | 46 | 19.5 | 3.0 | 2.0 | 474 | 24.5 |

**COMMENTS ON ABOVE PROPOSALS:** The options look to work within the existing Library and Customer Access strategies and is in line with the 2012/3 assessment of need, impact assessment, equalities analysis and consultation. This looks to retain provision in communities across Rotherham whilst implementing alternative service delivery models. This option was considered by members as part of the budget setting process for 2015-16. At that time, year 1 of a three year model was agreed for implementation. This option would continue that process.

## REF NO: EDS 6

## CURRENT SERVICE SUMMARY - Advocacy & Appeals

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** |
| **Advisory Cabinet Portfolio:** | Councillor Yasseen | Provides specialist welfare benefit and debt advice. This includes assessment of entitlement to benefits, assessment of "merit of an appeal" and assistance during submission of appeal, including representation. |
| **2015/16 Budget (£'000 Gross):** | 330 | |
| **2015/16 Budget £'000 Income:** | -116 | In addition the service provides benefit advice at all levels to those suffering from long term illnesses, their carers and families. The service currently receives external funding from Macmillan to do so. |
| **2015/16 Budget (£'000 Net):** | 214 | |
| **2015/16 Budget FTE:** | 8.9 | The service provides advice, advocacy and court representation on debt issues, including bankruptcy and housing repossession.<br><br>The service works in partnership with other advice providers, notably Citizens Advice Bureau. |

## SAVINGS PROPOSALS: Option 3a

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | To maintain the current service definition with a contribution from the Housing Revenue Account (HRA), predicated on the level of support provided to Council | Maintains provision of specialist service, recognising the likely local impact of welfare reform changes. Would need to be based on an annual service level agreement, including measures to capture the impact in terms of reduced rent arrears and evictions. | 80 | - | - | - | - | - | 80 | - |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17<br>£'000 | 17/18<br>£'000 | 18/19<br>£'000 | 16/17<br>FTE | 17/18<br>FTE | 18/19<br>FTE | TOTAL<br>£'000 | TOTAL<br>FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | tenants | This proposal is supported by the Business Development and Commercial Manager in NAS.<br><br>**RAG status:** Amber | | | | | | | | |
| | **TOTAL** | | 80 | 0 | 0 | 0 | 0 | 0 | 80 | 0 |

**COMMENTS ON ABOVE PROPOSALS:**

There is no statutory requirement to deliver a specialist welfare rights and money advice service. However the service does support the Council in delivery of its statutory responsibilities e.g. within the Equalities Act.

The service is currently required to have dedicated staff to deliver the Macmillan Welfare Rights service in order to receive funding from Macmillan Cancer Support.

## ASR REF NO: EDS 7

## CURRENT SERVICE SUMMARY – Registrars

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** Delivery of all statutory and non-statutory Registration Services, including registration of births and deaths; notice, registration and delivery of ceremonies related to civil partnerships and marriages. Delivery of citizenship, naming and renewal ceremonies. Production and amendment of certificates. Service delivered on behalf of General Register Office. Ensures compliance with the Immigration Act. |
| **Advisory Cabinet Portfolio:** | Neighbourhood working and Cultural Services (T. Yasseen) | |
| **2015/16 Budget (£'000 Gross):** | 455 | |
| **2015/16 Budget £'000 Income:** | -280 | |
| **2015/16 Budget (£'000 Net):** | 175 | |
| **2015/16 Budget FTE:** | 12.1 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | Removal of Registration of Births and Deaths at Rotherham General Hospital | No onsite facility for customers at Rotherham General Hospital (RGH) to register Births and Deaths that occur at the Hospital; therefore would have to travel to Riverside House. There is no legal obligation to register births and deaths outside of the Register Office.<br><br>It is envisaged that this would not be a popular option for NHS partners who deliver Bereavement Services at RGH as this is a valued service. The number of registrations would not reduce but it would increase the flexibility and efficiency of staff to deliver a range of services from one location.<br><br>A more effective use of resource provides potential to improve performance against Key Performance Targets.<br><br>External consultation required<br>Staffing review required<br><br>**RAG status: Red** | 25 | | | | | | 25 | |

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| C | Channel shift from Face to face to Telephony /Online for Tell Us Once Bereavement | Telephony and online channels are currently available but there is less than 5% take up; the majority of bereaved customers opt for the face to face transaction.<br><br>Some essential face to face service provision is envisaged to remain, but a reduction in the face to face offer would decrease transaction time for appointments, resulting in the ability to offer additional appointments for statutory services.<br><br>This is a non-statutory service that the authority has no legal obligation to deliver. Reducing transaction times would allow for an increase in the number of appointments available and an improvement against Key Performance Targets (KPT).<br><br>Consultation required<br><br>**RAG status: Red** | 13 | | | | | | 13 | |
| | **TOTAL** | | 38 | 0 | 0 | 0 | 0 | 0 | 38 | 0 |

**COMMENTS ON ABOVE PROPOSALS:** Local authorities are required to resource their registration service to a level that performance targets can be met and are required to sign an annual assurance statement to General Register Office that there is a commitment to do this. The service is in an ongoing position of failing to meet Key Performance Targets (KPT) against statutory services. Should this continue General Register Office (GRO) could issue a directive to deliver the service in a way that meets KPT. Statutory fees are set by GRO. It is a requirement that Registration fees are set on a cost recovery basis only.

## ASR REF NO: EDS 8

## CURRENT SERVICE SUMMARY - Contact centre

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** Corporate contact centre, delivering telephony services on behalf of a wide range of Council services, including Housing, Streetpride, Licensing and Children & Young People's Services. Deals with customer enquiries, requests for services, applications, payments, appointments and eligibility assessments. Delivers corporate switchboard service. Open 8am-8pm Mon-Fri and provides 24/7/365 emergency service. 696,778 customer calls were received in the contact centre in 2014/15. In addition 41,758 emails were managed within the service. |
| **Advisory Cabinet Portfolio:** | Neighbourhood working and Cultural Services (T. Yasseen) | |
| **2015/16 Budget (£'000 Gross):** | 1,231 | |
| **2015/16 Budget £'000 Income:** | -860 | |
| **2015/16 Budget (£'000 Net):** | 371 | |
| **2015/16 Budget FTE:** | 45.3 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Reduce waste service customer demand by 10% by encouraging customers to use Your Account or webchat to find information and report faults | If demand is not reduced Key Performance Indicators (KPIs) will not be achieved and customers will have to wait longer for us to respond to their contact.<br><br>Staff/related service consultation required<br>Reduction in posts - 1.5 Band D<br>**RAG status: Red** | 11 | 22 | | 0.5 | 1.0 | | 33 | 1.5 |
| B | Restructure Operations Manager and Team Leader roles | The restructure will equalise the levels of responsibility at management level.<br><br>Staff consultation required<br><br>Reduction in posts - 1 Band J, 0.5 Band H<br><br>**RAG status: Green** | 45 | | 17 | 1.0 | | 0.5 | 62 | 1.5 |
| C | Improve and streamline the way customers can report Street pride | If demand is not reduced KPI's will not be achieved and customers will have to wait longer for us to | | | 22 | | | 1.0 | 22 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | problems online and encourage them to do so. This will mean that fewer telephone calls are received in the contact centre and less staff time will be required to input information into Streetpride administration systems. | respond to their contact.<br><br>Staff/related service consultation required<br>Reduction in posts - 1 Band D<br>**RAG status: Red** | | | | | | | | |
| | **TOTAL** | | 56 | 22 | 39 | 1.5 | 1.0 | 1.5 | 117 | 4.0 |

## ASR REF NO: EDS 9

## CURRENT SERVICE SUMMARY - Theatre Services

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** Delivery of full range of theatre services from Rotherham's Civic Theatre. Whilst the programming is increasingly "commercial", delivered with professional producers, the service continues to work with a wide range of local organisations to deliver a varied and popular programme. Around 70,000 customers - the majority from Rotherham - attended shows during 2014-15. |
| **Advisory Cabinet Portfolio:** | Neighbourhood working and Cultural Services (T. Yasseen) | |
| **2015/16 Budget (£'000 Gross):** | 478 | |
| **2015/16 Budget £'000 Income:** | -349 | |
| **2015/16 Budget (£'000 Net):** | 129 | |
| **2015/16 Budget FTE:** | 10.5 | |

## SAVINGS PROPOSALS: Option 1

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Increase prices for pantomime tickets by £1 (general) or £0.50 (schools) | Potential to impact on ticket sales, though we believe that this is unlikely. The increased income proposed takes account of any contractual arrangements.<br><br>Consultation required with external producer of pantomime.<br>**RAG status: Amber** | 12 | | | | | | 12 | |
| B | Additional income due to Cultural Exemption on VAT | This is currently an estimate, as 2015-16 is the first year of implementation. The increased income takes account of any negative impact of VAT on theatre hire<br><br>Staff consultation required<br>**RAG status: Amber** | 20 | 10 | 10 | | | | 40 | |
| | **TOTAL** | | 32 | 10 | 10 | 0 | 0 | 0 | 52 | 0 |

**COMMENTS ON ABOVE PROPOSALS:** The above increased income proposals reduce the net budget of the service to £77,000 by 2018/19. However, we believe this may be a conservative estimate which will be reviewed following the first year of the changes to VAT. The service has been very successful in reducing its net budget year on year by increasing income and its **ambition is to operate at a net £0 as soon as is possible within the above timeline.**

## SAVINGS PROPOSALS: Option 2

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Service to become self-financing within 2 years | Service to become self-financing within 2 years through additional income generation and cost reduction.<br><br>**RAG status: Red** | | 77 | | | | | 77 | |
| | | | 0 | 77 | 0 | 0 | 0 | 0 | 77 | 0 |

**COMMENTS ON ABOVE PROPOSALS:** Option 2 is in addition to Option 1 i.e. the total savings released would be £129,000

## ASR REF NO: EDS 10

## CURRENT SERVICE SUMMARY - Heritage Service

| | |
|---|---|
| **Directorate:** | Environment & Development Services |
| **Advisory Cabinet Portfolio:** | Neighbourhood working and Cultural Services (T. Yasseen) |
| **2015/16 Budget (£'000 Gross):** | 666 |
| **2015/16 Budget £'000 Income:** | -133 |
| **2015/16 Budget (£'000 Net):** | 533 |
| **2015/16 Budget FTE:** | 19.4 |

**Brief description of service:**
Heritage Services includes the strategic development of and delivery of services from: Clifton Park Museum, which also incorporates the York and Lancaster Regimental Museum, Archives and Local Studies, Boston Castle, 5 additional historic buildings (built heritage) and 2 outstores for the museum, archives and local studies collections. The service delivers a programme of exhibitions and events, formal and informal learning for all ages, services to schools, an enquiry service, professional advice and guidance to individuals, community groups and organisations within the area. It makes available information under key pieces of legislation, including the Freedom of Information Act, Data Protection Act and the Environmental Information Regulations. It operates as the Place of Deposit for records from public bodies in the locality as set out in the Public Records Act. The authority's statutory celebratory services are delivered through the Museum. The Archives and Local Studies Service is a statutory service.

## SAVINGS PROPOSALS: Option 1

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Frontline staffing:<br>2016/17: Consolidate frontline staffing to integrate delivery of Boston Castle and achieve economies of scale. Benefit from Creative Employment Programmed funded by Arts Council England to work with an intern.<br>2017/18: Continue to move to Clifton Park Museum being community supported and increase work with volunteers to provide contact with members of the public | Will reduce capacity of frontline services to respond to unanticipated staffing situations resulting in ad hoc closures of Clifton Park Museum, Boston Castle and the Archives and Local Studies searchroom - in turn impacting on the public and achievement of KPIs. Will reduce capacity to respond to enquiries within corporate guidelines. Potential impact on Accredited status due to potential delay in documenting collections.<br><br>Staff/partner consultation required<br>Reduction in posts - 1.7 Band C<br>**RAG status: 2016-17 Amber, 2017-18 Red** | 20 | 12 | | 1.0 | 1.7 | | 32 | 2.7 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | Streamline non-pay budgets: reduce archives and local studies conservation budget, reduce exhibition/events budget, reduce vehicle hire budget | Will reduce ability to conserve archive and local studies material limiting amount of material members of the public can use. By 2017-18 all remaining budget has been removed.<br>Reducing exhibitions and events programme may lead to declining number of visits (KPI). Limits ability to move collections between stores and museum for display/conservation purposes<br><br>**RAG status: Amber** | 6 | 1 | | | | | 7 | |
| C | Increase income through delivery of additional school activity sessions and by undertaking external conservation work. | Relies on stable market, ability to market/promote services and reinvestment. Ability to offer service to external customers, including other museums and heritage services.<br><br>**RAG status: Green** | 3 | 6 | 8 | | | | 17 | |
| D | 2016/17: Utilise Heritage Service's reserve budget to contribute to salary costs of key members of staff (one year only)<br>2017/18: Resultant pressure of utilising reserve budget for salaries | The release and use of this budget as determined by an insurance claims needs to be agreed.<br>This proposal would give capacity for detailed increased income targets to be developed.<br>**RAG status: Amber** | 24 | -24 | | | | | 0 | |
| | **TOTAL** | | 53 | -5 | 8 | 1 | 1.7 | 0 | 56 | 2.7 |

**COMMENTS ON ABOVE PROPOSALS:** Figures above do NOT take into account income which could be generated in partnership with Clifton Park. Initial estimates indicate income during this time could be approximately £80,000, generated through e.g. improving catering provision, increased room hire, increased sales from kiosks, café and museum shop, improved marketing of park games and achieving efficiencies through shared resources. The Services have recently jointly recruited a Commercial manager who is developing a 3 year business plan which would identify further opportunities for income generation. The above proposal would enable the service to develop this plan and put forward alternative proposals during 2016/17.

Note; additional work is also taking place with the lead Advisory Cabinet member on potential options for additional income generation, e.g. through wider wedding package options.

# ASR REF NO: EDS 16

## CURRENT SERVICE SUMMARY *Corporate Property Unit (Excluding Corporate Landlord Property)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:**<br><br>**Property management, creation, acquisition and disposal including: Statutory compliance, health and safety, gas safety, electrical safety, fire safety, energy/ carbon management, environmental adaptation, property resilience and recovery, asset strategy, repair and maintenance, acquisition, disposal, commercial estate, worksmart, schools maintenance, schools basic need, academy school conversions, schools PFI, terrier service, valuation, right to buy, compulsory purchase, asset transfer leases, construction design and management, YORBuild framework. Managing 644 properties. Service FTE already reduced by 47%. No tradespersons, so all construction and maintenance is outsourced.** |
| **Advisory Cabinet Portfolio:** | Councillor Lelliott | |
| **2015/16 Budget (£'000 Gross):** | £3,941 | |
| **2015/16 Budget £'000 Income:** | £3,966 | |
| **2015/16 Budget (£'000 Net):** | -£25 | |
| **2015/16 Budget FTE:** | 68.2 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Increase income on existing Commercial estate | Market Rent increases for commercial tenants.<br><br>**RAG Status:** Green | 3 | 5 | 5 | 0 | 0 | 0 | 13 | 0 |
| B | Review of Corporate Property Staffing Establishment. Probable | A Reduction in construction capacity and fee earning staff. This requires an ongoing review alongside the Capital Strategy to | 95 | 0 | 0 | 4.6 | 0 | 0 | 95 | 4.6 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17<br>£'000 | 17/18<br>£'000 | 18/19<br>£'000 | 16/17<br>FTE | 17/18<br>FTE | 18/19<br>FTE | TOTAL<br>£'000 | TOTAL<br>FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | result being an establishment change of:-<br><br>1) Environmental Team 0.6 Band G Revenue Funded. 0.6 Redundancy.<br>2) Trading Account – Overhead - Merge Corporate Project Team (CPT) & Building Design Team (BDT) Managers posts – 1 Band L Manager Redundancy.<br>3) Trading Account CPT Overheads – Band D Technical Support Officer - Vacancy<br>4) Trading Account CPT Project Manager Posts 2 x Band J - Vacancies<br>5) Trading Account CPT 1 Structural Engineer Band G – Vacancy.<br>6) A new revenue post in Facilities Management (FM) Band J Building Officer to enable statutory compliance and address a capacity shortfall. | ensure capacity exists to deliver the programme.<br><br>Increase in Span of Control of 1 Band L from 3 to 5 direct reports. No Impact on customer or any other stakeholder. | | | | | | | | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Increased capacity to fill capacity deficit in facilities management to deliver multiple property management improvements and to improved standards of statutory compliance and safety of public buildings.<br><br>Staff consultation required.<br><br>**RAG Status Green** | | | | | | | | |
| | **TOTAL** | | 98 | 5 | 5 | 4.6 | 0 | 0 | 108 | 4.6 |

# ASR REF NO: EDS 17

## CURRENT SERVICE SUMMARY *(Business Regulation)*

| | | |
|---|---|---|
| **Directorate:** | **EDS & Neighbourhoods** | **Brief description of service:**<br><br>**This is a borough wide service**<br><br>Enforcement and regulation in relation to food hygiene, food standards, health & safety at work, animal health & welfare, trading standards and licensing (taxis, Licensing Act, Gambling Act etc.). Also management of contract between Dignity Funerals Ltd and Rotherham MBC (for the provision of bereavement services in Rotherham). |
| **Advisory Cabinet Portfolio:** | **Cllr Sims** | |
| **2015/16 Budget (£'000 Gross):** | **57** | |
| **2015/16 Budget £'000 Income:** | **1340** | |
| **2015/16 Budget (£'000 Net):** | **- 1156** | |
| **2015/16 Budget FTE:** | **184** | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Reduce maintenance budget in relation to retained cemetery assets (historic chapels, walls, gates etc.). | The maintenance of Victorian chapels in four of the district cemeteries, the Lych Gate at Maltby Cemetery and cemetery boundary walls in the 8 district cemeteries; these are outside of the Dignity contract. The buildings are falling into disrepair, and all of them require significant investment in order to bring them back to a usable condition. Alternative options have been considered, however none have been taken forward (e.g. use for commercial or community purposes). As the buildings | 14 | 7 | 2 | 0 | 0 | 0 | 23 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | haven't been in use for over 2 decades there will be no loss of amenity to the community, however the buildings being in a poor state of repair will damage the general cemetery environment. This proposal will see the maintenance budget in relation to retained assets reduce to £5,000 over a three year period. There will be no impact on partners, other directorates, staff or KPIs - however should the assets deteriorate to a dangerous condition then the assets will need to be demolished / receive significant investment in order to bring them into an acceptable condition.<br><br>**RAG rating: RED** | | | | | | | | |
| B | Cease payment of churchyard maintenance grants to Parochial Church Councils. | Payments are currently made to Parochial Church Council to assist with the maintenance of churchyards. These are not closed churchyards, therefore they are outside of the council's control. The grants range in value from £49.70 per annum to £568.00 per annum and are paid following a council decision in 1988. Ceasing with this payment will require a change to a council decision, and may lead to a detrimental impact on the aesthetic nature of some churchyards. There will be no direct impact on customers, partners of other council departments as | 8 | 0 | 0 | 0 | 0 | 0 | 8 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | a result of this proposal.<br><br>**RAG rating: Green** | | | | | | | | |
| C | Reduce food safety sampling budget. | There will be no detrimental impact on customers as a result of reducing this budget. The remaining budget of £4,929 (after the reduction of £4,722) will be supplemented by funding which is routinely available from Central Government for specified sampling programmes. The reduction of this budget will not have any impact on partners, KPIs or other council departments.<br><br>**RAG rating: Green** | 0 | 0 | 5 | 0 | 0 | 0 | 5 | 0 |
| D | Fixed amount increase from Bereavement Services Contract (assume 1.5% annual increase). | The council's contract with Dignity Funeral Services Ltd requires Dignity to pay RMBC a 'fixed amount' each year - this figure is index linked to inflation and increases by the RPIx in February of each year. The average increase of the RPIx over recent years is around 1.5%, this proposal is based on this figure however the actual increase cannot be forecast with absolute accuracy.<br><br>**RAG rating: Green** | 7 | 7 | 7 | 0 | 0 | 0 | 21 | 0 |
| E | Self-service applications for certain licences. | Many licence application functions could be made available online only – this would be particularly appropriate in relation to | 0 | 19 | 0 | 0 | 1.0 | 0 | 19 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | vehicle licensing (where no assessment of fitness is required).<br><br>Significant development of current systems and processes would be required in order to deliver this as a viable savings option. There would also need to be an element of consultation and testing of the system. As a result, any savings are unlikely to be realised until 2017/18.<br><br>It is estimated that in moving all vehicle licensing matters onto an online portal, approximately one FTE licensing support officer will be released.<br><br>However, it should be noted that any reduction in expenditure in the Licensing budget will need to be matched with a corresponding reduction in income (the licensing service must not generate a profit).<br><br>**RAG rating: AMBER** | | | | | | | | |
| F | Review administrative processes within Business Regulation. | There are 2.5 FTE admin staff within the Business Regulation service – these undertake a wide range of administrative duties including customer telephone contact and processing written | 0 | 10 | 0 | 0 | 0.5 | 0 | 10 | 0.5 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | reports on behalf of Environmental Health Officers (EHOs).<br><br>It is proposed that the telephony function is transferred to Rotherham Connect, and the process of issuing written reports is reviewed. It is estimated that this will require the transfer of 0.5 FTE to Rotherham Connect, with a further 0.5 FTE being offered as a saving.<br><br>Reducing the number of admin staff in the team may result in higher graded staff undertaking administrative duties should any of the remaining 1.5 FTE be unavailable for work (such as annual leave / sickness).<br><br>**RAG rating: AMBER** | | | | | | | | |
| G | Licensing administration function to migrate from Lalpac to Civica APP. | The authority currently uses Lalpac for the administration of licence applications. This package has been used since 2009.<br><br>The current subscription that is paid to Lalpac amounts to approximately £14,000.<br><br>The authority already subscribes to Civica APP (it is used by | 0 | 0 | 14 | 0 | 0 | 0 | 14 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17<br>£'000 | 17/18<br>£'000 | 18/19<br>£'000 | 16/17<br>FTE | 17/18<br>FTE | 18/19<br>FTE | TOTAL<br>£'000 | TOTAL<br>FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | many teams within the council) – the addition of the licensing modules to the current system would not increase the subscription amount. Therefore, switching from Lalpac to Civca APP for licensing purposes would realise a saving of £14,000.<br><br>The council is currently contracted to Lalpac until April 2018 – therefore any saving will be realised in 2018/19.<br><br>The Civica APP system has been reviewed by the Business Regulation Manager and the Licensing Manager, and whilst it has the advantage of being used by a number of departments within the council (including licensing enforcement, environmental health and trading standards – which work closely with licensing administration), it compares less favourably in terms of ease of use and functionality.<br><br>However, it should be noted that any reduction in expenditure in the Licensing budget will need to be matched with a corresponding reduction in income (the licensing service must not generate a profit).<br><br>**RAG rating: AMBER** | | | | | | | | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | **TOTAL** | | **29** | **43** | **28** | **0** | **1.5** | **0** | **100** | **1.5** |

**COMMENTS ON ABOVE PROPOSALS:**

Reductions in licensing expenditure must be met with corresponding reductions in income received (i.e. the council cannot make a profit via the administration of licensing). Proposals G should be considered with this in mind.

Further work must be undertaken in relation to proposal E before it can be considered as a viable savings option (hence the year 2 proposal).

**Overall staffing reduction is 5%**

# ASR REF NO: EDS 18

## CURRENT SERVICE SUMMARY *(Waste PFI)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbour hoods | **Brief description of service:** This budget provides for the Operational Management of the Sub Regional Waste Facility on behalf of Barnsley Doncaster and Rotherham (BDR) under the terms of a Public Finance Initiative (PFI) Project. It currently covers for overheads including for staff costs and the provision of any independent external Legal, Technical and Financial advice that may be necessary by BDR officers to support contract decisions and / or dispute resolution. |
| **Advisory Cabinet Portfolio:** | Councillor Sims | |
| **2015/16 Budget (£'000 Gross):** | £111 | |
| **2015/16 Budget £'000 Income:** | | |
| **2015/16 Budget (£'000 Net):** | £111 | |
| **2015/16 Budget FTE:** | 4 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Currently there is a vacant post within the Structure. It is proposed not to fill this post | There would be no implication upon Corporate Priorities/ Outcomes from failing to fill this post. This issue will be subject to discussion with our BDR partners. This post is at an Administration level. The Contract is currently managed by 3 FTEs with any necessary support from officers across Barnsley, Doncaster and Rotherham. | 7 | 0 | 0 | 1.0 | 0 | 0 | 7 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **RAG Status - Amber** | | | | | | | | |
| B | Remove the contingency from the Budget | The plant is now fully operational; therefore the necessity for a contingency has reduced. The contingency was there to allow for unusual events during the build process and to potentially support initiatives where savings greater than costs could be realised.<br><br>**RAG Status - Green** | 32 | 0 | 0 | | | | 32 | 0 |
| C | Reduction of the Budget for External Technical Consultants | It is considered that the requirement for independent technical advice on "snagging items related to the Waste Plant" will reduce over the next 12-18 months. There will be no implications upon Corporate Priorities<br><br>**RAG Status - Green** | 0 | 5 | 0 | | | | 5 | 0 |
| | **TOTAL** | | 39 | 5 | 0 | 1.0 | 0 | 0 | 44 | 1.0 |

**COMMENTS ON ABOVE PROPOSALS: This proposal has now been agreed with the BDR partners at a consultation meeting.**

Staffing reduction is 1 FTE (vacant post) – 25% of the establishment

## ASR REF NO: 19

## CURRENT SERVICE SUMMARY *(Waste Treatment)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbour hoods | **Brief description of service:**<br><br>Waste Treatment and Disposal covers the contractual arrangements for dealing with the treatment and disposal of domestic waste; the treatment of green waste, dealing with waste at our 4 Household Waste Recycling Centres; the haulage of skips from these sites, service costs for Recycling Banks; the disposal of special waste streams (hazardous clinical waste, asbestos) and the receipt of income from kerbside recycling operations and bring sites.<br><br>Waste Services have a statutory duty and a duty of care to manage waste from Council operations and ensure that all the waste and recyclates produced are treated and disposed of through outlets that hold the relevant environmental permits. |
| **Advisory Cabinet Portfolio:** | Councillor Sims | |
| **2015/16 Budget (£'000 Gross):** | £1,180 | |
| **2015/16 Budget £'000 Income:** | £579 | |
| **2015/16 Budget (£'000 Net):** | £602 | |
| **2015/16 Budget FTE:** | 0<br><br>Included in Waste Coll. ASR | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Dispose of carpets and mattresses through the Sub | It is cheaper to dispose of mattresses and carpets through disposal rather than through recycling outlets. This will affect | 105 | | | | | | 105 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | Regional Waste Plant | recycling performance by approximately 1.16%<br><br>**RAG Status - Green** | | | | | | | | |
| | **TOTAL** | | 105 | 0 | 0 | 0 | 0 | 0 | 105 | 0 |

**COMMENTS ON ABOVE PROPOSALS:**

With the current pricing structure that we have in the Sub Regional Waste Plant for disposal of waste at Band 2 (£13.68 per tonne); from the economic perspective it is cheaper to undertake disposal than to attempt to increase recycling. The saving proposed relates to all the carpets and mattresses disposed of through the Councils four Household Waste Recycling Centres.

## ASR REF NO: 20 Waste Collection

## CURRENT SERVICE SUMMARY *(Waste Collection)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbour hoods | **Brief description of service:** |
| **Advisory Cabinet Portfolio:** | Cllr Sims | **This is a borough wide service provide to every household** |
| **2015/16 Budget (£'000 Gross):** | £5,223k | Waste Management undertakes the provision of all waste collection services (Black Bin, Green Bin, Blue Box and Bag), bulky item collections, bin delivery and the management of the contract for four Household Waste Recycling Centres across the Borough. |
| **2015/16 Budget £'000 Income:** | £980k | |
| **2015/16 Budget (£'000 Net):** | £4,243k | |
| **2015/16 Budget FTE:** | 122.6 including 12 staff posts | The Council has a Statutory Duty to collect Household Waste as defined in the Environmental protection Act 1990 |

## SAVINGS PROPOSALS:

| **Ref:** | **Action** | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | **16/17** £'000 | **17/18** £'000 | **18/19** £'000 | **16/17** FTE | **17/18** FTE | **18/19** FTE | **TOTAL** £'000 | **TOTAL** FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Rationalisation of the Staff Structure | Will meet the 15% requirement for staff savings; there would need to be a rationalisation across the Management Structure for the service, the loss of 2FTEs represents a 17% reduction in terms of management/supervisory posts; this may impact upon service resilience in terms of lost expertise, and in the | 20 | 20 | 20 | 1.0 | 1.0 | 0 | 60 | 2.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | knock-on to service performance .<br><br>**RAG Status:** Amber | | | | | | | | |
| C | Fleet Renewal – Change the type of Vehicle used to support the kerbside collection of dry recyclables | The current fleet of vehicles have come to the end of their lease. It is considered that the type of vehicle used at present, be changed to a conventional split bodied refuse vehicle.<br><br>This type of vehicle will speed up the operation and allow for a reduction in the fleet of one vehicle and crew.<br><br>The Waste Management establishment would be reduced by 3 posts<br><br>It is considered there would be no impact upon the delivery of the service to residents<br><br>**RAG Status**: Amber | 164 | | | 3.0 | | | 164 | 3.0 |
| G | Revert to an alternate week collection on domestic refuse at Christmas / New Year; we | The Council currently provides a weekly collection of black bins over the Christmas / New Year period when the service is in | 30 | | | | | | 30 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17<br>£'000 | 17/18<br>£'000 | 18/19<br>£'000 | 16/17<br>FTE | 17/18<br>FTE | 18/19<br>FTE | TOTAL<br>£'000 | TOTAL<br>FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | currently provide a weekly collection for the 10 days when the service is in a backlog situation | backlog; this is a period of approximately 10 working days.<br><br>It is considered that initially there would be an adverse public reaction as the frequency between collections would be extended at a time of year when the waste produced increases.<br><br>It will take longer to get the service back on a regular collection frequency; however 3 Saturdays will be worked to assist in minimising the disruption in collection frequencies.<br><br>It has been agreed that the Household Waste Recycling Centres will remain open on all days during the period that the service is in backlog. These sites will be closed on Christmas Day, Boxing Day and New Year's Day<br><br>**RAG Status**: Amber | | | | | | | | |
| | **TOTAL** | | 214 | 20 | 20 | 4 | 1 | 0 | 254 | 5 |

**COMMENTS ON ABOVE PROPOSALS:**

Staffing reductions amount to 11% of the total establishment

## ASR REF NO: EDS 21

## CURRENT SERVICE SUMMARY *(Transportation & Highways projects)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:**<br>This is a borough wide service<br>Discharge of the statutory functions of Road Safety and Traffic Management through the delivery of transportation projects from concept through feasibility, design and implementation. Primary functions of the service are Transportation Policy, Traffic Management, Road Safety, Highways Development Control, Traffic Signals and Urban Traffic Control, Highways Design, and Highway Bridges. |
| **Advisory Cabinet Portfolio:** | Cllr Lelliot | |
| **2015/16 Budget (£'000 Gross):** | 2,624 | |
| **2015/16 Budget £'000 Income:** | 1,816 | |
| **2015/16 Budget (£'000 Net):** | 808 | |
| **2015/16 Budget FTE:** | 32.0 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Remove Engineer post from Transportation Unit | Vacant Post - funding was to be used to develop RMBC public realm work, identifying a consistent and efficient approach to street design, street furniture and materials, realising immediate benefits in improving our approach to street design and medium to long term asset management efficiencies. This work will now not be undertaken. 1 FTE is 16% of the team.<br><br>**RAG Status: Green** | 34 | | | 1.0 | | | 34 | 1.0 |
| B | Reduce CCTV budget in light of new maintenance contract and new communications contract | Reduction in CCTV budget will retain the CCTV service but reflect the new lower maintenance and comms costs that will be in place in 2016/17.<br><br>**RAG Status: Green** | 50 | | | | | | 50 | |
| C | Reduce graffiti cleansing budget | Reduction in the graffiti cleansing budget reflects the level of operational cleansing activity undertaken in 2014/15. The reduced budget could potentially result in an inability to remove | 10 | | | | | | 10 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | graffiti and undertake cleansing of subways.<br><br>Agreed with the proviso that offensive graffiti be dealt with within 24 hours<br><br>**RAG Status: Green** | | | | | | | | |
| D | Restructure of the Highway Structures Team resulting in the loss of 1 post | Loss in a post will result in a reduced capacity to undertake the development, design and management of RMBC's highway structures assets. Increased risk that our annual inspection regime could not be undertaken with the remaining resource resulting in greater risk of asset condition not being accurately monitored and assessed. Failure to appropriately manage our highway structure assets could lead to asset failure. There is the potential that a pressure may be created in terms of fee income generated.<br><br>1FTE is 28% of the team<br><br>**RAG Status: Amber** | 25 | | | 1.0 | | | 25 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| E | Reduce CCTV budget - Invest to save to deliver an RMBC owned Fibre Communications Network | The saving in 17/18 relates to the potential to introduce an RMBC owned fibre communications network in the Town Centre, which would require an invest to save business case to be developed.<br><br>**RAG Status: Green** | | 15 | | | | | 15 | |
| G | Restructure of the Transportation Policy Team resulting in the loss of 1 post | Loss of a post will result in a reduced capacity leading to: reduced ability to develop and write effective bids for external funding, with the risk that RMBC receives less funding than at present to deliver its Transportation and Highways initiatives, which will result in an inability to meet the aims of our transport strategy and those corporate plan ambitions related to road safety, active travel, and effective network performance; reduced ability to advise on transport policy issues affecting planning policy and advice; reduced capacity to deliver our Sustainable Transport schemes and initiatives.<br><br>1 FTE is 50% of the team<br><br>**RAG Status: Red** | | 40 | | | 1.0 | | 40 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| H | Restructure of the Traffic Management and Road Safety Teams resulting in the loss of 1 post | Loss of an Engineer post will result in a lack of capacity to develop schemes and prepare external funding bids ultimately leading to a decline in the level of funding for our annual programme declining, which will result in an inability to meet the aims of our transport strategy and those corporate plan ambitions related to road safety, active travel, and effective network performance. Reduced capacity will have to result in either fewer general revenue enquiries and requests being investigated / responded to or the target for investigating / responding to enquiries significantly increasing. The capacity to promote revenue funded initiatives such as the appraisal of available routes to school, which supports Corporate Transport, and the promotion of waiting restrictions and disabled parking bays will be significantly compromised.<br><br>1 FTE is 30% of the team<br><br>**RAG Status: Red** | | | 40 | | | 1.0 | 40 | 1.0 |
| | **TOTAL** | | 119 | 55 | 40 | 2.0 | 1.0 | 1.0 | 214 | 4.0 |

## REF NO: EDS 22

## CURRENT SERVICE SUMMARY - *Parking Services*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:**<br><br>The service is mainly focused on Rotherham Town Centre, but does cover parking enforcement right across the borough.<br><br>Responsible for managing and enforcing on and off street parking to encourage sensible and safe parking and reduce congestion. The role of the team is not restricted to parking enforcement; the team also act as ambassadors for the town, helping customers whenever possible. |
| **Advisory Cabinet Portfolio:** | Cllr Lelliott | |
| **2015/16 Budget (£'000 Gross):** | £826,314 | |
| **2015/16 Budget £'000 Income:** | (£1,301,761) | |
| **2015/16 Budget (£'000 Net):** | (£475,447) | |
| **2015/16 Budget FTE:** | 15 - £410,332 (funded through income generation) | |

## SAVINGS PROPOSALS:

| **Ref:** | **Action** | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | **16/17** £'000 | **17/18** £'000 | **18/19** £'000 | **16/17** FTE | **17/18** FTE | **18/19** FTE | **TOTAL** £'000 | **TOTAL** FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Amend parking charges in the town centre to generate additional income in order to help ensure a more self-financing Parking Service: | An increase in parking charges could potentially reduce the number of visitors to the town centre which could then impact on economic regeneration ambitions. A reduction in medium and long stay tariffs may mitigate this.<br><br>There were 680,000 paid parking activities in the town centre | | | | | | | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | On-street:<br><br>- 30mins, 50p to £1<br><br>- 60mins, £1 to £1.50<br><br>- 120mins, £2.50 to £3<br><br>Off-street:<br><br>- 120mins, £1.20 to £1.50<br><br>- 240mins, £2.80 to £2<br><br>- All day, £6.50 to £3.50<br><br>***Option 1*** = £130,000 additional income<br><br>***Option 2*** = £75,000 additional income and free (off street) Saturday parking. | during 2014/15. A reduction of 10%, for example, would equate to 68,000 fewer visits. The Council's Transportation Unit collect data on vehicle occupancy and 68,000 vehicular visits to the town centre could equate to around 200,000 potential customers. This could impact on the economic regeneration of the town centre; however, it is partially mitigated by the 'free parking' offer on Forge Island.<br><br>Although parking charges have not increased in the last 6 years, the proposals are based upon the perceived maximum price increases when considering the tariffs being offered by local private competitors and neighbouring Local Authorities (see Comments section below).<br><br>At a Rotherham Voice meeting on 8/10/15, chaired by Commissioner Kenny, town centre businesses indicated support for tariff increases only on the basis that this could fund free Saturday parking.<br><br>Option 2 is based on the same amended charges as per Option 1, but providing free off-street parking on Saturdays, lowering the estimated income generated as a result. A comparison with free parking arrangements in neighbouring local authority areas is included in the Comment section below.<br><br>*Note: there is an underlying budget pressure in the service of £137,000 – hence the £130,000 additional income at Option 1 above results in a net £7,000 pressure on the service; Option B results in a net £62,000 pressure on the service. Neither option* | 130<br><br>(-7 net)<br><br>75 (-62 net) | 0<br><br>0 | 0<br><br>0 | 0<br><br>0 | 0<br><br>0 | 0<br><br>0 | 130<br><br>(-7 net)<br><br>75 (-62 net) | 0<br><br>0 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | *meets the budgeted income target fully.*<br><br>**RAG Status: Red** | | | | | | | | |
| B | Restructure Appeal Team<br><br>This will result in loss of posts: 1 x Band G | A reduction in staffing would have to be made from the back office / Appeals Team because the Enforcement Team is already regarded as under resourced. This would reduce the appeals team size by 27%.<br><br>Management spans of control would not be a significant issue.<br><br>The impact of the reduction in staffing would result in some vulnerability to achieve deadlines set by the Traffic Management Act with regard to the answering of correspondence and / or the issuing of official documents.<br><br>**RAG Status: Amber** | 0 | 31 | 0 | 0 | 1.0 | 0 | 31 | 1.0 |
| | | | 0 | 31 | 0 | 0 | 1.0 | 0 | 31 | 1.0 |

**COMMENTS ON THE ABOVE PROPOSALS:**

A comparison with neighbouring Local Authorities' on-street tariffs is in the table below:

| Neighbouring Local Authorities On Street Charges | 30 minutes | One hour | Two hours |
|---|---|---|---|
| Sheffield | £1.00 | £2.00 | £4.00 |

| | | | |
|---|---|---|---|
| Doncaster | £1.00 | £2.00 | £4.00 |
| Barnsley | £0.70 | £1.40 | N/A |
| Rotherham current | £0.50 | £1.00 | £2.50 |
| **Rotherham proposed** | **£1.00** | **£1.50** | **£3.00** |

In terms of free weekend parking provision on Saturdays, neighbouring Local Authorities in South Yorkshire currently offer:

| Neighbouring Local Authority | Free parking provision arrangements on Saturdays |
|---|---|
| Sheffield | Free Saturday Parking for 3 weeks up to Christmas after 2:00pm for on and Off-Street |
| Doncaster | Extra Hour Free (all year) in one 900 space car park. Free on and Off-Street parking between 24/12 - 29/12 and 31/12 - 03/01 and Easter weekend |
| Barnsley | Free Saturday Parking Off-Street only (all year) |
| Rotherham current | Free Saturday Parking for 6 weeks up to Christmas for on and Off-Street |

## ASR REF NO: EDS 24

## CURRENT SERVICE SUMMARY *(Highway Maintenance)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** |
| **Advisory Cabinet Portfolio:** | Cllr Sims | |
| **2015/16 Budget (£'000 Gross):** | £7,324,176 | **This is a borough wide service** |
| **2015/16 Budget £'000 Income:** | (£2,276,825) | The Highway Network Management Team's role is to ensure that highways are in a safe and well maintained condition, (Roads, Footpaths, Public Rights of Way, including Drainage, Street Lighting, Streetworks Coordination, and Highway Inspections, Highway Assessment & Design and the delivery of highway works) |
| **2015/16 Budget (£'000 Net):** | £5,047,351 | |
| **2015/16 Budget FTE:** | 127 (21% Revenue funded) | |

## SAVINGS PROPOSALS:

| **Ref:** | **Action** | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | **16/17** £'000 | **17/18** £'000 | **18/19** £'000 | **16/17** FTE | **17/18** FTE | **18/19** FTE | **TOTAL** £'000 | **TOTAL** FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | Generate additional income:<br><br>Option 1: additional income from external customers | Further income could be achieved from Sponsored Roundabouts and increased charges for Cesspool emptying, Drainage works for Housing and Schools. Highway Licences, skips, scaffolds Section 38 income.<br><br>**RAG Status:** Amber | 32 | 28 | 28 | | | | 88 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| C | Restructures in Service Teams:<br><br>Street Lighting will result in loss of posts: 1 x Band J (Senior Engineer) and 2x Band G (Electricians).<br><br>Drainage Team will result in loss of posts: 1 x Band E (Technician) and 1x Band D (Operative). | Advances in technology and design have reduced the need for a senior Street Lighting Engineer and two Electricians posts. **This would reduce the team size by 13%**. Management spans of control would not be a significant issue.<br><br>The drainage operative and technician posts could be absorbed within the wider delivery team. The impact will reduce the team's ability to deliver scheduled routine maintenance on time and respond and react to flooding emergencies such as; internal flooding to properties and highways. **This would reduce the team size by 10%.** | **45** | **47** | **19** | **2** | **2** | **1** | **111** | **5** |
| D | Prudential Borrowing Repayment Savings | The £3m highway capital investment between 2011-2014 was funded by prudential borrowing. Due to improved borrowing rates achieved by the Council and a change in the payback period that the borrowing was based upon, it has been possible to reduce the repayment from £300k to £200k per annum. | **100** | **0** | **0** | **0** | **0** | **0** | **100** | **0** |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | The £100k saving can be taken without any impact on highway maintenance meeting its prudential borrowing repayments. However, the £100k surplus is currently used to support the highway maintenance revenue repairs budget, if it is removed there will be less budget available to maintain the highways, potentially leading to the risk of them deteriorating faster (e.g. potholes).<br><br>**RAG Status: Green** | | | | | | | | |
| E | Street Lighting LED replacement | The service is at an early stage of testing advances in LED technology that could enable the remaining 15,000 street lights to be upgraded which would enable significant energy savings. The proposal would be to only replace the internal electronics and to recycle the existing lantern body. If the tests are successful then a capital investment of around £800,000 to £1m would be required. After capital repayments are accounted for energy saving of £100,000 could be achievable.<br><br>**RAG Status: Red** (trials may prove unsuccessful) | | 25 | 75 | | | | 100 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | **TOTAL** | | 177 | 100 | 122 | 2 | 2 | 1 | 399 | 6 |

**COMMENTS ON ABOVE PROPOSALS:**

Excluding the additional £5m investment over the next two years the funding available for highway maintenance which provided through Government's Capital and RMBC revenue will be approximately £3.5m. The highway network requires £6m spending on it annually to maintain its current condition.

A consequence of significantly reducing highway maintenance funding would be roads deteriorating further and the associated costs to keep them safe would increase along with complaints and potential insurance claims. Currently the highway teams have an excellent repudiation rate for highway claims which is cited as best practice by the Council's insurers and solicitors; settlement costs are significantly better than Barnsley's and Doncaster.

From 2016/17 the Government is introducing new methodology for allocating capital Maintenance funding. If the Council's strategy is based on reduced revenue funding, it is probable that DfT funding will be significantly reduced, and the condition of the highways will deteriorate further.

# ASR REF NO: EDS 25

## CURRENT SERVICE SUMMARY - *Streetpride: Grounds Maintenance*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** |
| **Advisory Cabinet Portfolio:** | Cllr Sims | |
| **2015/16 Budget (£'000 Gross):** | 2,426 | **This is a borough wide service** which covers Grass cutting including Highway Verges, Public Open Spaces and Urban Parks. Weed killing on adopted highway. Maintenance of shrub beds, highway hedges and rural verges, and landscaping work for internal and external clients (e.g. Schools, Parish Councils etc). Off Road Motor Vehicle budget to support cost of prevention works on Council land |
| **2015/16 Budget £'000 Income:** | -1,097 | |
| **2015/16 Budget (£'000 Net):** | 1,329 | |
| **2015/16 Budget FTE:** | 48 (plus 31 seasonal staff – variable) | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Option 1<br><br>Purchase 2 Reform Metrac (specialised grass cutting equipment) at £54,000 each. Annual purchase cost estimated at £24,000 over 5 years.<br><br>Current annual hire cost for 2 | **NO IMPACT:**<br><br>1) Saving is achieved by reducing annual cost of hire<br>2) Could be risk of contractual penalties<br><br>**RAG status:** Green | 41 | 0 | 0 | 0 | 0 | 0 | 41 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17<br>£'000 | 17/18<br>£'000 | 18/19<br>£'000 | 16/17<br>FTE | 17/18<br>FTE | 18/19<br>FTE | TOTAL<br>£'000 | TOTAL<br>FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | Reforms is £72,800. | | | | | | | | | |
| J | Internal operational savings<br><br>i. Use contact weed killer around street furniture rather than barrier residual weed killer.<br>ii. Remove Supervisors Van – currently hired and used by several officers | **LOW IMPACT (Whole Borough)**<br><br>1) Using contact weed killer may mean increased work load as more sprays will be needed but saving proposal takes account of this.<br>2) Removal of vans will require officers to provide own vehicle for work related journeys and claim car mileage (change of contract).<br>3) Removal of vans is not consistent with other Streetpride services<br><br>**RAG status: Green** | 9 | 0 | 0 | 0 | 0 | 0 | 9 | 0 |
| K | Increase charges to PARISH COUNCILS by 1% above inflation – current annual income is £121,000 | **LOW / MEDIUM IMPACT (Parishes)**<br><br>1) Currently provide service for 21 Parish Councils<br>2) Possible risk that clients will engage alternative contractor and savings proposal will not be achieved<br><br>**RAG status: Amber** | 4 | 0 | 0 | 0 | 0 | 0 | 4 | 0 |
| L | Remove the Off Road Motor Vehicle Prevention Budget | **MEDIUM IMPACT (Whole Borough)**<br><br>1) Significantly reduced capacity to carry out / support schemes to reduce / prevent off road vehicle nuisance. | 37 | 0 | 0 | 0 | 0 | 0 | 37 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17<br>£'000 | 17/18<br>£'000 | 18/19<br>£'000 | 16/17<br>FTE | 17/18<br>FTE | 18/19<br>FTE | TOTAL<br>£'000 | TOTAL<br>FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 2) Likely to result in increase in complaints and requests for service<br><br>THIS SPEND CAN BE CAPITALISED AND WILL BE CONSIDERED AS PART OF THE CAPITAL PROGRAMME | | | | | | | | |
| | **TOTAL** | | 91 | 0 | 0 | 0 | 0 | 0 | 91 | 0 |

## ASR REF NO: EDS 26

## CURRENT SERVICE SUMMARY - *Streetpride: Leisure & Green Spaces*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** This is a borough wide service covering 3 country parks, 11 urban parks, 14 recreation grounds, public open spaces, allotments, children's play areas, sports and games facilities, countryside sites, woodlands, closed churchyards, project development, Ecology and Biological Records, public rights of way maintenance, support to Planning Policy and Development Management functions, Sports Development Service, Herringthorpe Athletics Stadium, Landscape Design, Trees Service and Admin Team (also support Community Services Team). |
| **Advisory Cabinet Portfolio:** | Neighbourhood working and Cultural Services (T. Yasseen) | |
| **2015/16 Budget (£'000 Gross):** | 4,453 | |
| **2015/16 Budget £'000 Income:** | -1,855 | |
| **2015/16 Budget (£'000 Net):** | 2,598 | |
| **2015/16 Budget FTE:** | 57.7 (plus 15.2 seasonal / temporary staff) | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Continue to raise allotment rents above inflation to remove subsidy by 18/19 | **LOW / MEDIUM IMPACT (Whole Borough - users from many areas)**<br>1) Implementation would be subject to completion of Allotment Service Review<br>2) Risk of complaints, opposition and legal challenge<br>3) Could lead to reduced demand<br>4) Possible health impact<br><br>Service consultation required<br><br>*Note: officers are also exploring options for a potential Trust model for allotments*<br><br>**RAG status: Amber** | 5 | 5 | 4 | 0 | 0 | 0 | 14 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | Rother Valley Country Park -<br>i. Remove 2 x Senior Ranger (Band G) and increase Rangers (Band F) from 2 to 3.<br>ii. Remove Administrator (Band G) and create Admin Asst post (Band E) | **MEDIUM IMPACT (Whole Borough - users from many areas)**<br>1) Reduced capacity to cover for sickness etc especially during summer season<br>2) Slower response to incidents<br>3) Lower site maintenance standards<br>4) May impact on major events<br>5) Increased workload for Operations Managers<br>6) Will be easier to achieve with continued automation (e.g. EPOS, Broadband link to speed up RMBC admin.)<br><br>Staff consultation required<br><br>Reduction in post – 1 FTE Band G Senior Ranger<br><br>**RAG status: Amber** | 43 | 0 | 0 | 1.0 | 0 | 0 | 43 | 1.0 |
| C | Rother Valley Country Park -<br>i. Increase car park charge from £3.50 to £5.00- first increase in five years<br>ii. Withdraw free parking for blue badge holders on weekdays (following previous withdrawal at weekends) | **MEDIUM IMPACT (Whole Borough - users from many areas)**<br>1) Possible adverse customer and tenant reaction and some loss of custom<br><br>Service consultation required<br><br>**RAG status: Amber**<br><br>**At 26th November meeting OSMB recommended a 50p per year increase.** | 90 | 2 | 0 | 0 | 0 | 0 | 92 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| D | Rother Valley Country Park - Shorten Water sports operating season, focussing on most profitable times. Remove permanent Water sports Supervisor (Band G) and operate with a seasonal/casual post at slightly lower band. | **MEDIUM IMPACT (Whole Borough as users from many areas)**<br>1) 50% staffing reduction<br>2) Shortening of season will mean a part loss of service<br>3) Possible adverse customer reaction.<br>4) Reduced capacity to undertake seasonal maintenance of centre<br>5) Reduced continuity in knowledge of systems and procedures<br><br>Service consultation required<br>Staff consultation required<br>Reduction in post – 1 FTE Band G Water Sports Supervisor<br><br>**RAG status: Amber** | 36 | 0 | 0 | 1.0 | 0 | 0 | 36 | 1.0 |
| F | Thrybergh Country Park - Reduce Rangers (Band F) from 3.2 to 2.6 | **HIGH IMPACT (Whole Borough - users from many areas)**<br>1) 19% staffing reduction<br>2) Leaves a very small team with reduced capacity to cover for sickness etc especially during summer season<br>3) Slower response to incidents<br>4) Lower site maintenance standards at TCP, UCP and countryside sites<br>5) May impact on site security<br><br>Staff consultation required<br>Reduction in post – 0.6 FTE Band F Ranger<br><br>**RAG status: Red** | 0 | 17 | 0 | 0 | 0.6 | 0 | 17 | 0.6 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| G | Thrybergh Country Park - Increased income from café, soft play etc. | **LOW IMPACT (Whole Borough - users from many areas)**<br>1) Assumes continued investment in the park e.g. café, marketing etc.<br><br>**RAG status: Green** | 0 | 10 | 4 | 0 | 0 | 0 | 14 | 0 |
| H | Countryside Operations - Reduce Countryside Operatives (Band D) from 1.6 to 1 | **HIGH IMPACT (Countryside sites, significant parts of the Borough)**<br>1) 38% staffing reduction<br>2) May restrict range of work that other operative can do, and on capacity to do PROW work<br>3) Lower site maintenance standards at TCP, UCP and countryside sites<br><br>Staff consultation required<br>Reduction in post – 0.6 FTE Band D Operative<br><br>**RAG status: Red** | 0 | 12 | 0 | 0 | 0.6 | 0 | 12 | 0.6 |
| I | Discontinue hosting of or seek alternative financing arrangements for Rotherham Biological Records Centre - remove 0.6 Records Officer (Band G) | **MEDIUM / HIGH IMPACT (Whole Borough)**<br>**1) <u>NO SERVICE</u>**<br>2) 100% staffing reduction<br>3) Biological Record database will become of limited use over time, with possible impact on planning<br>4) May draw criticism from Natural England and other external bodies<br>5) Loss of valuable volunteer input<br><br>Service consultation required<br>Staff consultation required<br>Reduction in post – 0.6 FTE Band G Officer<br><br>**RAG status: Amber** | 0 | 19 | 0 | 0 | 0.6 | 0 | 19 | 0.6 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| J | Clifton Park - Restructure and reduce management. Remove Manager (Band I) and Horticultural Officer (Band G) and introduce Site Supervisor (Band G) on rota with Band F Rangers. | HIGH IMPACT (Whole Borough - users from many areas)<br><br>This means that the duties currently undertaken by the park manager will be shared between the Urban Green Spaces Manager who is already responsible for all urban parks, sports pitches, allotments and children's play and will not always be on site, and a proposed new site supervisor who will be responsible for day to day operations on the ground. The site supervisor will also have responsibility for functions currently carried out by a more specialist Horticultural Officer. This proposal brings management structure more into line with existing arrangement at Thrybergh Country Park.<br><br>1) 13% staffing reduction<br>2) Reduced capacity to manage people, facilities and budgets, leading to increased workload for other staff<br>3) May impact on speed of development of new businesses<br>4) Brings management structure more into line with existing arrangement at Thrybergh Country Park<br>5) Requires continued admin support at least at current levels to ensure effective business operation<br><br>Staff consultation required<br><br>Reduction in post – 1 FTE Band I Officer | 40 | 0 | 0 | 1.0 | 0 | 0 | 40 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **RAG status: Red** | | | | | | | | |
| K | Clifton Park - Replace one Gardener (Band D) with Team Leader (Band E) reporting to Site Supervisor. | **LOW IMPACT (Whole Borough - users from many areas)**<br><br>1) Mitigates impact of loss of Horticultural Officer<br>Staff consultation required<br><br>**RAG status: Green** | -3 | 0 | 0 | 0 | 0 | 0 | -3 | 0 |
| L | Clifton Park - Reduce Ranger team from 3 to 2 (remove Band D post) | HIGH IMPACT (Whole Borough - users from many areas)<br><br>Current staffing levels allow regular ranger presence in all of the key areas of the park. The savings proposal could mean that at particular times and circumstances (e.g. an accident in another area of the park) we may not be able to have a ranger presence in all necessary areas (e.g. the children's play area and water play). Partially mitigated by creation of new Band G Supervisor post on rota.<br><br>Taken together the proposals will result in a reduced capacity to cover for sickness etc. especially during summer season, a slower response to incidents, and reduced site security.<br><br>1) 33% staffing reduction<br>2) Reduced capacity to cover for sickness etc. especially during summer season<br>3) Slower response to incidents<br>4) Reduce site security<br>5) Partially mitigated by creation of new Band G Supervisor post on rota | 23 | 0 | 0 | 1.0 | 0 | 0 | 23 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Staff consultation required<br><br>Reduction in post – 1 FTE Band D Ranger<br><br>**RAG status: Red** | | | | | | | | |
| M | Clifton Park - Reduce repair and material budgets | **MEDIUM / HIGH IMPACT (Whole Borough - users from many areas)**<br>1) Possible impact on visitor numbers and income<br>2) Park begins to look less well maintained.<br>3) Facilities remain unusable for longer after faults develop<br>4) More difficult to replace maintenance equipment<br><br>**RAG status: Amber** | 12 | 6 | 6 | 0 | 0 | 0 | 24 | 0 |
| N | Clifton Park - Increase car park, kiosk and room hire income targets based on further growth in visitor numbers and increased margins | **LOW IMPACT (Whole Borough - users from many areas)**<br>1) Assumes any other savings which may ultimately be approved do not impact significantly on the image and popularity of the park<br><br>Service consultation required<br><br>**RAG status: Green** | 12 | 6 | 6 | 0 | 0 | 0 | 24 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
| O | Urban Parks<br>i. Reduce urban park ranger team from 3 to 2 (remove vacant Band F post)<br>ii. Stop paying utility and other bills for occupiers of pavilions at Wath Sports Centre (Cricket and Bowls clubs)<br>iii. Stop paying utility and other bills for bowls clubs operating greens in parks | **MEDIUM IMPACT (Whole Borough - users from many areas)**<br>1) 33% staffing reduction<br>2) Prevents proposed reallocation of budget to address current deficiencies in play area inspection and repair<br>3) Not paying utility bills will be opposed by clubs<br>4) May lead to some clubs abandoning greens and their lease agreements to maintain the greens – possible health impact<br><br>Staff consultation required<br>Reduction in post – 1 FTE Band F Ranger<br><br>**RAG status: Amber** | 27 | 3 | 0 | 1.0 | 0 | 0 | 30 | 1.0 |
| R | Sports Development<br><br>i. Removal of budgets currently used to match external funding for two projects when they come to an end by March 2017:-<br>a. *Disability Project*, originally funded until July 2016, now expected to be extended to March 2017 (underspend within the project) with Sport England approval. No further match funding needed for extended period.<br>b. *Active Communities,* | MEDIUM IMPACT (Whole Borough)<br><br>1) Reduces ability to bid for external funding. For example, if the proposed saving is taken then we would not be able to make a further bid to continue or replicate the current Active Communities project.<br><br>Both current projects were designed with sustainability in mind, upskilling clubs and communities to continue the work when projects complete (March 2017).<br><br>Discussions have already been held with Public Health, and it has been confirmed that further match funding from them would not be available currently as | 2 | 11 | 7 | 0 | 0 | 0 | 20 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | currently funded until March 2017. Further bids may be submitted to Sport England to continue or deliver a similar project in a different community, but only subject to alternative match funding being found.<br>ii. Reduce Sports Development non-salary costs by 75% over 3 years | they contribute heavily to Sports Development in other areas.<br><br>2) Overall health impact - reduced capacity of team to promote physical activity focused on target communities and groups.<br><br>Service consultation required.<br><br>**RAG status: Amber** | | | | | | | | |
| S | Reduce LCS Admin Team Leader post (Band E) to 0.5 | **LOW IMPACT**<br><br>1) 13% staffing reduction<br>2) Service has managed with 0.5 post for the last 12 months<br>Staff consultation required<br><br>**RAG status: Green** | 0 | 0 | 10 | 0 | 0 | 0.5 | 10 | 0.5 |
| T | Reduce Project Development Post (Band K) to 0.5 | **LOW IMPACT**<br><br>1) 50% staffing reduction<br>2) Service has managed with 0.5 post for the last 12 months<br><br>**RAG status: Green** | 0 | 0 | 24 | 0 | 0 | 0.5 | 24 | 0.5 |
| U | Remove Project Development budget | **MEDIUM IMPACT**<br><br>1) By 2018/19 removes all capacity to support / match fund | 0 | 0 | 26 | 0 | 0 | 0 | 26 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | internal and external development projects<br><br>**RAG status: Green** | | | | | | | | |
| | **TOTAL** | | 287 | 91 | 87 | 5 | 1.8 | 1.0 | 465 | 7.8 |

**COMMENTS ON ABOVE PROPOSALS:**
Total proposed FTE reduction is 7.8, which is 13.5% of the total number of staff in the service (57.7FTE)
There are Green Spaces throughout the borough, all of which would be affected to some degree by the reduction in service. Green Spaces also have a significant contribution to the Public Health agenda as they provide parks and facilities for active sport, as well as the Sports Development function.
Although a saving in the expenditure budget of £252k is shown at reference Q, this service is procured from the Grounds Maintenance service. As such it will result in a reduction to Grounds Maintenance income and create a pressure for that budget (shown in EDS - ASR - 25).

# ASR REF NO: EDS 27

## CURRENT SERVICE SUMMARY - *Streetpride: Street Cleansing*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** |
| **Advisory Cabinet Portfolio:** | Cllr K.Sims - Waste, roads and enforcement | **This is a borough wide service** covering scheduled litter picking and litter bin emptying - on designated sections of highway. Snow / ice clearance during winter service. Town Centre cleansing team and wardens. Specialist cleansing – fly tip, graffiti, mechanical sweeping, rapid response team - highway cleansing issues (e.g. road traffic collisions, dead animals, etc.) Snow / ice clearance during winter service. Pest Control Service. Dog Wardens Service (collection and processing of dogs straying in the borough, help and advice to dog owners, fines for dog fouling offences, events such as dog chipping for the public) |
| **2015/16 Budget (£'000 Gross):** | 2,299 | |
| **2015/16 Budget £'000 Income:** | -241 | |
| **2015/16 Budget (£'000 Net):** | 2,058 | |
| **2015/16 Budget FTE:** | 56 | |

## SAVINGS PROPOSALS:

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Pest control - currently no charge for Rats service, propose £20 call out fee (increase income by £30,000. based on 1500 jobs pa. (2014/15 - 1900 rat jobs.) | **MEDIUM IMPACT (Whole Borough)**<br>1) Possible health and safety implications if residents don't take up service because of charge<br>2) Income may not be achieved if residents don't take up service because of charge<br>3) Could result in increased complaints | 30 | 0 | 0 | 0 | 0 | 0 | 30 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17<br>£'000 | 17/18<br>£'000 | 18/19<br>£'000 | 16/17<br>FTE | 17/18<br>FTE | 18/19<br>FTE | TOTAL<br>£'000 | TOTAL<br>FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Service consultation required<br><br>**RAG status: Amber**<br><br>OSMB on 26th November asked officer to explore a £50 call out fee. | | | | | | | | |
| C | Graffiti removal – reduce the team from 2 to 1 operative | **MEDIUM IMPACT (Whole Borough)**<br><br>1) 50% staffing reduction<br>2) Reduces capacity to meet targets: remove offensive graffiti within 1 working day (to be retained); remove other graffiti within 4 days (may be 5 or more days or longer given need to retain offensive graffiti removal priority).<br>3) Will need to cease service to private property where visible from the highway because of reduced capacity.<br>4) Overall impact on the appearance of the borough<br>5) Likely to attract further graffiti<br>6) Likely to result in increased complaints<br>7) Reduce service resilience – will need to train other staff to act as temporary cover for leave / sickness (cost implications)<br><br>Staff consultation required<br><br>Reduction in post - 1 FTE Band B Operative<br><br>**RAG status: Amber** | 21 | 0 | 0 | 1.0 | 0 | 0 | 21 | 1.0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **IN DELIVERING THIS PROPOSAL THERE WILL BE A NEED TO CONTINUE TO PRIORITISE THE REMOVAL OF OFFENSIVE GRAFFITI WITHIN ONE DAY** | | | | | | | | |
| F | Supervisor's Van - remove | **LOW IMPACT**<br>1) Will require officer to provide own vehicle for work related journeys and claim car mileage – will require change of contract.<br>2) Not consistent with other Streetpride services<br>Staff consultation required<br>**RAG status: Green** | 0 | 5 | 0 | 0 | 0 | 0 | 5 | 0 |
| | **TOTAL** | | 51 | 5 | 0 | 1.0 | 0 | 0 | 56 | 1.0 |

# ASR REF NO: 28

## CURRENT SERVICE SUMMARY *(Health & Safety)*

| | |
|---|---|
| **Directorate:** | **EDS & Neighbourhoods** |
| **Advisory Cabinet Portfolio:** | **Corporate Services and Budgeting (S. Alam)** |
| **2015/16 Budget (£'000 Gross):** | **324** |
| **2015/16 Budget £'000 Income:** | **-84** |
| **2015/16 Budget (£'000 Net):** | **240** |
| **2015/16 Budget FTE:** | **4.9** |

**Brief description of service:**

This is largely an internal support service but it covers activities across the whole borough.

Key tasks and functions on behalf of the whole Council include providing direct H&S expertise, advice and support (either by telephone or via email) on a range of H&S topics to all directorates and schools; liaison with enforcing authorities (HSE; Fire Authority); training provision for all directorates through a calendar of events or bespoke to individual service needs or requirements; pro-active inspections / audits of Council buildings / sites / equipment / risk assessments etc. with production of comprehensive reports for senior management (where appropriate); accident / ill health investigation with production of associated reports with mitigation measures identified; lead responsibility for reporting and investigating RIDDOR incidents to the enforcing authority (HSE) on behalf of all directorates / schools / academies; produce and maintain corporate H&S related policies / procedures (available via intranet); accident / violence to staff report database maintenance and production of statistical reports based on accident / ill health rates etc.

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Reduced Contracted Services – | Occupational health surveillance for hand arm vibration (HAV's) and noise for employees in potentially high risk | 5 | | | | | | 5 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | Occupational Health Surveillance | occupations could result in an increase in insurance claims against the council and vulnerable to prosecution by the enforcing authority (HSE)<br><br>**RAG Status: Amber** | | | | | | | | |
| B | Reduced Training Budget | Reduction in professional development of officers will have a detrimental effect on the service delivered to directorates; a reduced ability to keep up to date with new legislation / guidance and the subsequent briefing of SLT and other concerned parties.<br><br>**RAG Status: Amber** | 8 | | | | | | 8 | |
| C | Team Restructure | De-establish M3 Emergency and Safety Manager Post and instigate a team re-structure. Significantly reduced capabilities and capacity of the team and increased workload on officers to meet statutory obligations. A team that is already smaller than comparable authorities will be further reduced.<br><br>**RAG Status: Red** | 17 | | | 0.5 | | | 17 | 0.5 |
| D | Reduction of core budget | Negotiations are currently underway on obtaining income | 30 | | | | | | 30 | |

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | generation funds in respect of H&S work on RMBC housing stock. Whilst it is anticipated that the funding will be secured, it is uncertain at this time as to the level of funding that will be available. A failure to secure such funding will necessarily lead to reductions in the staff establishment, given that much of the non-staff budget is for fixed costs.<br><br>**RAG Status: Amber** | | | | | | | | |
| E | Reduction of non pay budget | Reflection of underspends across a number of detail codes in 14/15.<br><br>**RAG Status: Green** | 12 | | | | | | 12 | |
| | **TOTAL** | | **72** | **0** | **0** | **0.5** | **0** | **0** | **72** | **0.5** |

**COMMENTS ON ABOVE PROPOSALS:** The Management of Health and Safety at Work Regulations require employers to put in place arrangements to control health and safety risks, as well as seeking competent H&S advice and support. In addition, the Health and Safety at Work Act places a duty on employers to ensure, as far as is reasonably practicable, the health, safety and welfare of their employees or anyone that could be affected by their acts or omissions. Any further reduction in staff (from existing levels) would potentially see the Council vulnerable to prosecution, fines and associated reputational damage should any H&S legislation be breached and / or major injury / fatality was to occur. Staff reduction proposed is 10%

# ASR REF NO: EDS 30

## CURRENT SERVICE SUMMARY– Depot, Stores & Business Support

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:**<br><br>The service covers the management of the main depot at Hellaby including the central stores and business support to Streetpride's front-line services |
| **Advisory Cabinet Portfolio:** | Cllr Read | |
| **2015/16 Budget (£'000 Gross):** | 1,015 | |
| **2015/16 Budget £'000 Income:** | -592 | |
| **2015/16 Budget (£'000 Net):** | 423 | |
| **2015/16 Budget FTE:** | 21.1 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | Procurement savings (pass through to services) | Low impact - savings derive from lower than expected unit costs delivered by consortium supply contracts.<br><br>**RAG Status:** Green | 100 | 0 | 0 | 0 | 0 | 0 | 100 | 0 |
| | **TOTAL** | | 100 | 0 | 0 | 0 | 0 | 0 | 100 | 0 |

# ASR REF NO: EDS 31

## CURRENT SERVICE SUMMARY *Home to School Transport*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbour hoods | **Brief description of service:**<br><br>This service is provide to children across the borough<br><br>The Home to School transport team undertakes the statutory duties to provide free transport assistance to eligible learners in accordance with section 508B of the Education Act 1996 (Amended by the Education & Inspections Act 2006) |
| **Advisory Cabinet Portfolio:** | Councillor Sims | |
| **2015/16 Budget (£'000 Gross):** | 2,637 | |
| **2015/16 Budget £'000 Income:** | -137 | |
| **2015/16 Budget (£'000 Net):** | 2,499 | |
| **2015/16 Budget FTE:** | 4.8 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| C | Retendering of expensive routes | 14 H2S mini-bus routes are considered to be expensive, A retendering exercise is now complete and this saving is confirmed.<br><br>**RAG Status**: Green | 80 | | | | | | 80 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| D | Develop 'in-house' option to provide transport, taking pupils out of taxis into mini-buses | May be dependent on changes to Adult services transport arrangements, i.e. different attendance time at day centres.<br><br>**RAG Status**: Red | | 80 | 80 | | | | 160 | |
| | **TOTAL** | | 80 | 80 | 80 | 0 | 0 | 0 | 240 | 0 |

**COMMENTS ON ABOVE PROPOSALS:**

This is a demand-led service which is already operating at the legal minimum, these proposals will not impact on these duties. All discretionary elements of the service have been previously removed. Demand is based on referrals from CYPS and eligibility assessed by the Home to School transport team. Transport is currently provided by external transport operators.

## ASR REF NO: EDS 32

## CURRENT SERVICE SUMMARY *Corporate Transport & Plant*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** The CTU Fleet Management Team is responsible for the management of the core and hired vehicle fleet and associated transport functions including training and compliance to enable safe operation of the Councils Vehicle Operators Licence |
| **Advisory Cabinet Portfolio:** | Cllr Read | |
| **2015/16 Budget (£'000 Gross):** | 751 | |
| **2015/16 Budget £'000 Income:** | -465 | |
| **2015/16 Budget (£'000 Net):** | 286 | |
| **2015/16 Budget FTE:** | 6.1 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Undertake Taxi Driver Licensing and Driving Licence Checks on behalf of Taxi Licensing | Taxi Test income is dependent on the number of applicants for taxi driver licences. New taxi drivers have the option of undertaking a practical driving competence test with the Driver & Vehicle Standards Agency @ £79.66 [up to 6 weeks waiting list] or an identical test with a DVSA approved instructor within CTU at a cost of £60.00 [1 week waiting list] Existing taxi drivers who are renewing their taxi licence and have endorsements on their driving licence have to retake and pass a practical driving test either with DVSA or CTU within 21 days of issue of taxi licence. **Rag Rating: Amber** | 8 | 2 | | | | | 10 | |
| C | Driver Training | Training income is dependent on external training requests. The main income streams are minibus driver training and disability [MIDAS]. Drivers have to undertake refresher training every 4 years. This is an approved qualification for school and voluntary groups whose drivers do not need to hold a vocational minibus driving licence. All organisations have to pay for the MIDAS training. Driver CPC training [35 hours of training has to be completed every 5 years] is perceived to increase from 16/17 as refresher training for the 1st batch of existing training which ended in September 2003 needs to be completed by 2018/19. Traditionally external driver CPC training is slow in the early years and increases as drivers realise the deadline for | 8 | 2 | 2 | | | | 12 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | completion of training is becoming closer.<br>**Rag Status**: **Red** | | | | | | | | |
| D | Bus Service Operators Grant (BSOG) | The BSOG grant is not confirmed beyond next financial year. The rate and eligibility is determined by the Department for Transport. RMBC are only eligible whilst operating passenger vehicles for community duties [NAS Passenger Transport Fleet] or similar future provision.<br>**Rag Status**: **Red** | 20 | -20 | | | | | 0 | |
| E | Hire of Parking bays | Partnership working with hire company to reduce hire delivery charges. CTU currently charges £1k per month to an external vehicle hire company for the provision of 6 parking spaces within Hellaby Depot. This initiative reduces hire vehicle delivery charges as the vehicles are on site.<br>**Rag Status**: **Red** | 12 | | | | | | 12 | |
| F | Deletion of post of Technical Officer | Deletion of band H post, would require some back-filling to cover duties but this would be done by replacing with increased business support capacity and utilising Purchase to Pay for hire company invoicing and recharging to individual departments.<br>**Rag Status**: **Green** | 14 | | | 1.0 | | | 14 | 1.0 |
| | **TOTAL** | | 62 | -16 | 2 | 1.0 | 0 | 0 | 48 | 1.0 |

**COMMENTS ON ABOVE PROPOSALS:**
Staff savings have been identified by deleting 1 FTE (band H) and backfilling with a band D (Business Support) post.

## ASR REF NO: 33

## CURRENT SERVICE SUMMARY *(Buildings Major Project)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbour hoods | **Brief description of service:** Streetpride M3 Management structure<br><br>Streetpride employs 6 FTE managers at M3 level across a range of services: Highways network management, Transportation, Leisure and Community Services, Business Regulation, Emergency Planning, Corporate Transport and Waste Management<br><br>Note: Budgets for management posts are contained within service cost centres |
| **Advisory Cabinet Portfolio:** | Cllr Sims<br>Cllr Roche | |
| **2015/16 Budget (£'000 Gross):** | | |
| **2015/16 Budget £'000 Income:** | | |
| **2015/16 Budget (£'000 Net):** | | |
| **2015/16 Budget FTE:** | 6.0 | |

## SAVINGS PROPOSALS:

| **Ref:** | **Action** | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | **16/17**<br>**£'000** | **17/18**<br>**£'000** | **18/19**<br>**£'000** | **16/17**<br>**FTE** | **17/18**<br>**FTE** | **18/19**<br>**FTE** | **TOTAL**<br>**£'000** | **TOTAL**<br>**FTE** |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Reduction of M3 manager posts by consolidating service groups<br><br>(see below for details) | No direct impact onto service delivery, but this does reduce the management capacity and resilience within the Structure, and will require some backfilling at a lower level.<br><br>Loss of 2 FTE posts at M3 level, and recruitment of one new | | | | | | | | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | post at band J | | | | | | | | |
| B | Deletion of post of LCS Manager and combining Grounds Maintenance, Street Cleansing and Green Spaces with Highways Network Management to create a new post of C*ommunity Environmental services Manager* | Significantly extends the span of control for the remaining M3 Manager across quite distinct service areas.<br><br>**RAG status: Amber** | 70 | | | 1 | | | 70 | 1 |
| C | Deletion of post of Corporate Transport Manager and combine with Waste Service to create new post of W*aste and Transport Manager*. Home to School Transport to transfer to Business Regulation Unit | Increase span of control of M3 Manager, and will require back-filling with a Fleet/contract manager at scale J.<br><br>Extends span of control of Business Regulation Manager. Note: this post also has responsibility for (Taxi) Licensing<br><br>**RAG status: Amber** | 17 | | | | | | 17 | |
| | **TOTAL** | | 87 | 0 | 0 | 1 | 0 | 0 | 87 | 1 |

**Finance & Corporate Services**

| ASR REF NO: RES-1 & 2 | | |
|---|---|---|
| **CURRENT SERVICE SUMMARY – Finance *(Including Schools Traded Service)*** | | |
| **Directorate:** | Resources | **Brief description of service:** Key Services include: Preparation of Statutory Accounts and MTFS, development of Financial Strategy, Budget Setting and Monitoring, Completion of Statutory Returns, Finance support for operational Directorates, developing Business Cases, Financial systems, Accountancy and Treasury Management functions, provision of creditors, debtors, income and taxation functions, external funding. Traded financial support service to maintained schools and academies. Services provided include the production of statutory accounts, financial systems support, budget forecasting and a comprehensive training programme. |
| **Advisory Cabinet Portfolio:** | Leader – Cllr Read/Corporate Services and Budgeting (S. Alam) | |
| **2015/16 Budget (£'000 Gross):** | £3,580 | |
| **2015/16 Budget £'000 Income:** | -£1,396 | |
| **2015/16 Budget (£'000 Net):** | £2,184 | |
| **2015/16 Budget FTE:** | 85 | |

## SAVINGS PROPOSALS:

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | **Option 1:** Refocus and significantly reduce the financial services resources prioritised to supporting budget holders / Budget Managers in managing, monitoring and reporting their monthly financial forecasts | Introduction of a risk based approach to monitoring operational revenue and capital budgets. Currently the service actively supports all budget holders / budget managers on a standardised approach which accounts for approximately 30% of time spent on business partnering teams. The proposed move will re-prioritise financial services resources to focus on high and medium risk budgets which account for approximately 10%-15% of budgets. Other budgets (deemed low risk) will receive lower level support from a small, generic help desk support service. This will not include personalised 1:1 support for budget holders and it is expected that all budget holders/managers will complete timely and reasonable forecasts in line with financial regulations. Recent budget holder submission rates are just over 60%. A move towards this position would need to be discussed and agreed with Directorates but would be in line with Financial Regulations and Job / Person Specifications. | 317 | 22 | 0 | 14 | 0 | 0 | 339 | 14 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | Continue to reduce the number of transactional business processes e.g. number of journals, service recharges and further use of business intelligence / analytics reporting | Potential positive resource impact on service areas by reducing business need for low value, transactional activities | | | | | | | | |
| | Through reprioritising and realigning workloads reduce Finance Manager numbers by 1FTE to promote succession planning and future service development | Succession planning: The service has an age / qualification profile imbalance – it is proposed to disestablish a Finance Manager post and use the funding to create 2 new Apprentice posts (one graduate and one A2 level school leaver) to allow for service development and succession planning. The intention is that these posts will become fully qualified CCAB finance professionals.<br><br>Actions proposed above will result in a reduction of 14 FTE posts: 6 FTEs (M3 to Band I); 5 x Band F and 3 x Band D (a 16% reduction in staffing)<br><br>**RAG STATUS: AMBER** | | | | | | | | |
| | **Option 2:**<br>As above, plus further reduction of FTEs reflecting expected Public Service Reform (PSR) implications across Sheffield City Region (SCR) | As above, plus reduced resource requirement resulting from reduction in workload as services/functions and funding are integrated across the Sheffield City Region.<br><br>Additional proposed action could result in a further reduction of 5 FTEs (Band J to F) – this is clearly dependent on the extent and timing of any PSR across the SCR. This increases the reduction in staff by 19 in total (a 22% staffing reduction)<br><br>**RAG STATUS: RED** | 0 | 0 | 171 | 0 | 0 | 5 | 171 | 5 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | Business Development - Additional income from providing tailored financial services support packages (including absence insurance agency support services) to support both new academies and other maintained schools located both in the Borough and in other South Yorkshire areas | No adverse impact; potential opportunity to generate additional income and take advantage of the service being well placed in the market to provide such services on a more expansive basis.<br><br>**RAG STATUS: AMBER** | 62 | 6 | 6 | 0 | 0 | 0 | 74 | 0 |
| C | Ongoing service improvement target to reduce debtor days to improve income collection figures leading to a reduction in the provision for bad debt that has to be set aside in accordance with accounting standards. Continue to seek out opportunities to minimise the Council's taxation liability working within HMRC Regulations | No potential adverse impact; potential opportunity through new ways of working to continue to improve collection rates, reduce debtor days leading to a reduction in the council's bad debt provision<br><br>No adverse impact as any identified opportunity would be within HMRC Regulations<br><br>**RAG STATUS: AMBER** | 25 | 25 | 25 | 0 | 0 | 0 | 75 | 0 |
| D | **Packaged Savings:**<br><br>Flexible use of New Burdens Grant funding to meet additional finance work primarily related to business | No adverse impact – reprioritisation of existing resources to meet additional financial reporting requirements | 20 | 0 | 0 | 0 | 0 | 0 | 20 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | rates localisation<br><br>Reduction to service Training and software budgets | No adverse impact - £5k reduction in training budget to reflect reduced staff numbers and significant investment in staff development over last few years as part of systems investment initiatives. Rationalisation of licencing and support and maintenance arrangements(£20k) for financial systems linked to programme of systems development<br><br>**RAG STATUS: GREEN** | 25 | 0 | 0 | 0 | 0 | 0 | 25 | 0 |
| | **TOTAL** | | **449** | **53** | **202** | **14** | **0** | **5** | **704** | **19** |

**COMMENTS ON ABOVE PROPOSALS:**

Savings proposals are aligned to:

- The ongoing rationalisation of business partnering - this is in line with vision for Financial Services linked to recent systems development initiatives and ongoing reporting analytics capabilities that now provide budget holders / budget managers with greater self-service functionality enabling them to more independently perform budget management, monitoring and reporting – this would be done adhering to clearly defined risk assessment principles whereby Financial Services would reprioritise support resources towards those budgets which are considered significant in value, complexity, volatility
- The ongoing programme of streamlining underlying business processes to enable further efficiencies in transactional and financial reporting activities
- The ongoing commercial approach being taken to generating income from third parties e.g. academies and maintained schools and improving collection rates in order to maximise council revenues

The proposed savings generate more than a 15% reduction in management / supervisory posts – 11 posts out of the 19 proposed FTE reduction are from Band I or above

## ASR REF NO: RES-03

## CURRENT SERVICE SUMMARY (PROCUREMENT)

| | | |
|---|---|---|
| **Directorate:** | Resources | **Brief description of service:** The Procurement Service is responsible for procuring all bought in goods and services on behalf of the Council. It is managing over 250 contracts across the Council. The Service helps the Council to deliver cashable savings across all services. Additionally, the service is leading on and managing a large proportion of collaborative agreements on behalf of Rotherham MBC and other Authorities on a national, regional and sub-regional basis. For example, the service now manages the YORtender e-tendering system on behalf of the Yorkshire and Humber region which comprises 24 Authorities. The service is also responsible for managing all of the Council's e-ordering and e-invoicing activity. The accounts payable function is benchmarked nationally each year as part of the CIPFA benchmarking club and the latest data available shows performance is in the upper quartile of the 40 authorities who returned data on the following. |
| **Advisory Cabinet Portfolio:** | Corporate Services and Budgeting (S. Alam) | |
| **2015/16 Budget (£'000 Gross):** | 1,124 | |
| **2015/16 Budget £'000 Income):** | 0 | |
| **2015/16 Budget (£'000 Net):** | 1,124 | |
| **2015/16 Budget FTE:** | 33.5 | |

| | Rotherham MBC | Average |
|---|---|---|
| Total Cost per Invoice | £1.52 | £2.38 |
| Staff Cost per Invoice | £0.73 | £1.53 |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Procurement and negotiation of a new Telephony Contract.<br><br>This settlement involves a recently negotiated £80,000 per year saving on the telephony contract. It is in lieu of credits generated when taking out new services from the contract – e.g.: crudely, each time the Council | No impact – this is a simple cash transaction that does not impact upon services.<br><br>**RAG status – Green.**<br><br>Note: COMPLETED: the contract amendment has already been agreed. | 80 | 0 | 0 | | | | 80 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | buys a new handset it receives a credit on its account to use for new services. Procurement has negotiated the credit as an adjustment to the contract cost. | | | | | | | | | |
| B | Yorkshire Purchasing Organisation – YPO has consistently delivered a higher dividend to the Council than budgeted.<br><br>It is proposed to increase the budgeted income figure to provide a more reasonable value. | Limited risk and limited impact. A realistic and prudent assessment has been made of the level of additional dividend that could be budgeted for.<br><br>**RAG status – Green** | 40 | 0 | 0 | | | | 40 | |
| D | Housing Renewal Account (HRA) Increased funding contribution<br><br>Recharge of procurement costs to Housing (HRA) to reflect an increase in procurement support for the New Housing Delivery Programme 2015 - 2018 (involving150 residential development sites). | Very limited impact. It is planned to absorb the work within existing resources at no additional cost.<br><br>**RAG status – Green** | 20 | 0 | 0 | | | | 20 | |
| E | Increase in volume rebates. The procurement Service has consistently delivered a higher | Limited risk and limited impact. A realistic and prudent assessment has been made of the level of additional dividend that could be budgeted for. | 40 | 0 | 0 | | | | 40 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | level of rebates than budgeted.<br><br>It is proposed to increase the budgeted income figure to provide a more reasonable value. | **RAG status - Green** | | | | | | | | |
| F | Reduce the P2P Service by 3x Band B | A reduction in the processing and payments function could result in a delay in paying suppliers and local businesses on time, as the workload would be distributed between remaining staff, increasing their own 'caseloads'.<br>The integration and linking of processing and payments staff and category managers helps facilitate a good flow of information about potential future savings opportunities (for example processing staff can see trends in 'non-contracted' spending). A reduction in p2p resources could reduce the scope to identify potential savings opportunities. For these reasons **RAG status = Amber**. | 0 | 20 | 40 | 0 | 1 | 2 | 60 | 3 |
| G | Reduce the Service by 1x Procurement Officer - Band H 0.5 FTE - (£20k) | A reduction in the expertise and capacity within Procurement may affect the ability to maintain and deliver new cashable savings and generate increased income back to the authority.<br><br>It may reduce the level of support provided to SMEs and local businesses though training and advice on the e-tendering portal and tendering processes and continued support to the region in the development of YORtender system to the region.<br><br>**RAG status – Amber** | 0 | 20 | 0 | 0 | 0.5 | 0 | 20 | 0.5 |
| I | Reduce the Service by 1x Category Manager - Band I 0.8 | A reduction in the expertise and capacity within Procurement could affect the ability to maintain and | 0 | 35 | 0 | 0 | 0.8 | | 35 | 0.8 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | FTE (£33k) | deliver new cashable savings and generate increased income back to the authority.<br><br>There has been a change in culture which has seen an increase in challenges from unsuccessful tenderers. For all Procurement let agreements we protect Rotherham MBC from legal challenge for contracts of all values by complying with strict EU and UK Government legislation and RMBC standing orders and financial regulations. The Procurement Service manages supplier performance and monitors their financial stability mitigating contractual risk. A reduction in capacity may increase the risk of challenge through loss of expertise and capacity<br><br>**RAG status – Red** | | | | | | | | |
| J | Reduce the Service by 1x Category Manager - Band I 1 FTE (£41k) | A reduction in the expertise and capacity within Procurement may affect the ability to maintain and deliver new cashable savings and generate increased income back to the authority.<br><br>There has been a change in culture which has seen an increase in challenges from unsuccessful tenderers. For all Procurement let agreements we protect Rotherham MBC from legal challenge for contracts of all values by complying with strict EU and UK Government legislation and RMBC standing orders and financial regulations. The Procurement Service manages supplier performance and monitors their financial stability mitigating contractual risk. A reduction in capacity may increase the risk of challenge through loss of expertise and capacity. | 0 | 0 | 42 | 0 | 0 | 1 | 42 | 1 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **RAG status – Red** | | | | | | | | |
| | **TOTAL** | | 180 | 75 | 82 | 0 | 2.3 | 3 | 337 | 5.3 |

**COMMENTS ON ABOVE PROPOSALS:**

These proposals include reductions in resources for managing the Council's procurement activity, which is centralised, efficient and effective. Benchmarking confirms it is lower quartile cost. As well as reducing resources, the Services continues to take on board additional work, dealing with, for example, contract s relating to the former RBT arrangement, Public Health and an increased level of housing related contracts (formerly residing with the ALMO). Therefore, the combination of additional demand and lower resources will place extra pressure on the service and jeopardise its current good performance in making payments on time (for example to local SMEs within 10 days) and securing volume discounts. Any further reductions could lead to 'false economies'

All directorates will be reliant on procurement expertise to explore alternative delivery options in order to meet their respective savings proposals and the medium term financial strategy (MTFS).

The Procurement Service has delivered £392k of staff savings during the period 2012-2014, with an additional £20k through vacancy management for 2015/16.

The service has 4 managers with a cost of c£200k on overall a 1:8 ratio of managers: staff. The proposals contain no reductions in managers as the ratio would continue at 1:6 if proposals laid out above are agreed.

## ASR REF NO: RES-4

## CURRENT SERVICE SUMMARY (REVENUES, BENEFITS AND PAYMENTS SERVICE)

| | | |
|---|---|---|
| **Directorate:** | Resources | **Brief description of service:** The billing and collection of Council Tax (£100m), Non Domestic Rates (£76m), Housing Benefit Overpayments (£3.7m), Former Tenant Arrears (£3.4m) The assessment and payment of Housing Benefit (£91m), Council Tax Reduction (£21m)) and DHP (£564k) Assessment of client contributions for social care, the payment of providers (£54m) and the collection of client contributions (£7m) |
| **Advisory Cabinet Portfolio:** | Leader | |
| **2015/16 Budget (£'000 Gross):** | 4,395 | |
| **2015/16 Budget £'000 Income:** | 2,661 | |
| **2015/16 Budget (£'000 Net):** | 1,734 | |
| **2015/16 Budget FTE:** | 147.54 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Move of Benefit Fraud team to DWP new Single Fraud Investigation Service (SFIS)<br><br>Disestablishment of 5 posts on the Benefit Fraud team<br><br>4fte Band G Fraud Officer<br>1fte Band D Fraud Assistant<br><br>Staff saving equates to 100% of the current Fraud team<br><br>**RAG Status:** AMBER | Any residual and new DWP referral work will be picked up by the Benefits team from within existing resources<br><br>Residual work will involve increased reviewing of claims not dealt with by DWP SFIS being claims for Council Tax Reduction (CTR) where there is no Housing Benefit (HB) claim<br><br>The main new burdens will be the new "Single point of contact" role (SPOC) dealing with the provision of information to DWP from councils benefit records. This new burden will fall on Technical Officers within Benefits and may adversely impact time taken to address reconsiderations and revisions (measure RB13) and appeals (target RB14). Additionally the increased workload may also increase in delays in the processing of Discretionary Housing Payments (DHP) applications.<br><br>The negative impact of this new burden may be extended by an increase in HB revision requests, appeals and DHP applications as the latest round of welfare reform is rolled out.<br>The adverse impact on the public may be delays in decisions being made on revisions, appeals and DHP applications. Any impact will be borough wide. | 147 | 0 | 0 | 5 | 0 | 0 | 147 | 5 |
| B | Move of Benefit Fraud | Impacts as above in A | 40 | 0 | 0 | 1 | 0 | 0 | 40 | 1 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | team to DWP new Single Fraud Investigation Service (SFIS)<br><br>Disestablishment of Management post on the Benefit Fraud team<br><br>1fte Band I Team Leader<br><br>**RAG Status: AMBER**<br><br>From a management perspective this post responsibilities lie solely with the Fraud team which is being disestablished completely | | | | | | | | | |
| C | Disestablishment of vacant Band C post in Scanning and Indexing team<br><br>1fte Band C Support Officer<br><br>**RAG Status: GREEN** | Any increase in workload volumes could result in delays in scanning and indexing which could potentially reduce performance in time based measures around assessment of benefit entitlement (targets RB3, RB4, RB13, RB14) and the billing of Council Tax (target RB16)<br><br>Any such delays in processing could increase levels of benefit overpayments (targets RB9, RB10)<br><br>It is unlikely that customers will be adversely affected by delays for | 20 | 0 | 0 | 1 | 0 | 0 | 20 | 1 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | decisions regarding their benefit entitlement as workloads are not expected to increase. Should there be any impact it will be borough wide | | | | | | | | |
| D | Printing Savings from increased "Your Account" take up for managing a customer's Council Tax Account<br><br>**RAG Status: GREEN** | Year on year increases in take up should reduce requirement for printing of bills and benefit notifications<br><br>Assumed take up is as follows<br><br><u>CTax - Ebills</u><br>30% take up 2016/17<br>35% take up 2017/18<br>40% take up 2018/19<br><br><u>Benefits – Enotifications</u><br>50% take up 2016/17<br>60% take up 2017/18<br>65% take up 2018/19<br><br>There would be no adverse impact on customers | 35 | 3 | 5 | 0 | 0 | 0 | 43 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
| E | Increased year on year utilisation of advanced SMS functionality to replace outgoing letters<br><br>**RAG Status: GREEN** | The replacement of the current SMS functionality with a more advanced model will allow us to substitution increasing levels of letters with SMS.<br><br>Where used appropriately there is no detriment to the customer as SMS can speed up some processes such as chasing information with regard to benefit entitlement and may also contribute to increasing income levels<br><br>Increasing Email/SMS replacement of letters by 10,000 each year from 16/17 onwards from current level of 90k in 14/15<br><br>There would be no adverse impact on customers | 5 | 5 | 5 | 0 | 0 | 0 | 15 | 0 |
| F | Establishment of 1fte Band F Debt Recovery Visiting Officer post in Account Management<br><br>**RAG Status: AMBER** | Reintroduction of visiting officer role to tackle the growing HBOP (£3.7m) and cumulative Council Tax (£6.8m) issue for more serious cases and also CTR claimants now required to pay<br><br>To look at generating additional payments, arrangements for payment, information to allow recovery and to try to engage with debtors to try to get them out of the cycle of non-payment<br><br>Additional income expected of a minimum £100k per year<br><br>There would be no adverse impact on customers other than they | 72 | 0 | 0 | 0 | 0 | 0 | 72 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | will be pursued more for payment of outstanding debt | | | | | | | | |
| G | Reduction in membership fees post SFIS<br><br>**RAG Status: GREEN** | Membership no longer required following fraud function moving to SFIS<br><br>There would be no adverse impact on customers | 1 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| H | Disestablishment of Council Tax and Non Domestic Rates visiting officer posts<br><br>1.4fte Band F<br><br>**RAG Status: RED**<br><br>Staff saving equates to 32% of the current Visiting Officers | Use of advanced SMS to replace some visits and a review of the frequency of visits. In the event of sickness or for vacancy periods the service will have to utilise resource of the proposed new debt visiting officer or external providers Phoenix who we work with now for surplus visits although this will reduce projected savings.<br><br>Additionally proposed changes to empty property discounts may reduce the level of visits required from a Council Tax collection perspective although not necessarily from a New Homes Bonus perspective.<br><br>The risk is that if the new initiatives do not prove successful this could result in delays in new, occupied, and altered properties being discovered. Such delays would have a detrimental impact on income collection in both Council Tax and Non Domestic rates as well as reducing New Homes Bonus<br><br>There would be no adverse impact on individual customers though overall there may be a reduction in income levels which will adversely affect all customers borough wide | 0 | 15 | 36 | 0 | 0.4 | 1 | 51 | 1.4 |
| I | Disestablishment of 1fte Band G post in Technical / Training Officer role - Band G<br><br>**RAG Status: AMBER** | There will be an increased need for teams within Revs and Bens to self-serve in areas such as reporting and training.<br><br>It is expected that this can be sufficiently built into procedures across the service by 17/18 to minimise effect on performance however should this not prove successful there will inevitably be | 0 | 32 | 0 | 0 | 1 | 0 | 32 | 1 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | Staff saving equates to 20% of the current Technical / Training Officers | an impact on performance across the service in both time related and income collection targets.<br><br>It is expected that there would be no adverse impact on customers | | | | | | | | |
| J | Disestablishment of 4fte posts in Benefits<br><br>16/17<br>2fte Band C Benefit Officer<br>1fte Band E Assistant Benefit Officer<br><br>17/18<br>1fte Band E Assistant Benefit Officer<br><br>**RAG Status: RED**<br><br>Staff saving equates to 8% of the current Benefit Officers and 36% of the current Assistant Benefit Officers | The introduction of Universal Credit (UC) is expected to reduce HB claims and as such workload of benefits team over time though initial reductions will be small and must be remembered that CTR still has to be assessed and therefore in the majority of cases it will only be a part of the process (rent payment) that is saved<br><br>The danger is that the migration of claims over to UC does not result in sufficient workload savings which will result in a reduction in performance around time based benefit assessment targets (targets RB3, RB4, RB11) appeals and revisions (targets RB13, RB14) a potential increase in Housing Benefit Overpayments debt levels and write off (targets RB10, RB12) which could put some DWP subsidy in danger if increases in HBOP levels are large ( target RB9)<br><br>Additionally with significant changes due around welfare reform, much of the detail of which is unknown, it is anticipated that the impact on workloads could be significant which will not be helped by a reduction in resources and will have a negative impact on performance across all benefit targets.<br><br>Performance in nationally published figures in for 2013/14 showed Rotherham as high performing being 7th best Met for new claims and 7th best Met for changes in circumstances<br><br>The adverse impact on the public, which it anticipated will be | 0 | 63 | 24 | 0 | 3 | 1 | 87 | 4 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | small, will be increased delays in benefit decisions being made. Any impact will be borough wide and it is anticipated that Rotherham will retain its position as a high performing Met | | | | | | | | |
| K | Disestablishment of 2fte posts in Revenues and Payments<br><br>1fte Band F Visiting Officer<br>1fte Band D Admin Assistant<br><br>**RAG Status: AMBER**<br><br>Staff saving equates to 22% of the current Visiting Officers and 14% of the current Admin Assistant | Introduction of Liquid Logic as the social care system is expected to introduce processing efficiencies within Revenues and Payments by the reduction in the numbers of assessments required, the collation of some required information in another location and a reduction in paperwork required<br><br>Should those efficiencies not transpire the loss of the roles could result in a decline in performance across the team, while a reduction in the frequency of financial assessments would be required<br><br>Additionally changes brought about by the care act may increase workload in some areas<br><br>The adverse impact on the public may be delays in the assessment and notification of client contributions as well as potential delays in payments to suppliers | 0 | 0 | 58 | 0 | 0 | 2 | 58 | 2 |
| | **TOTAL** | | 320 | 118 | 128 | 7 | 4.4 | 4 | 566 | 15.4 |

**COMMENTS ON ABOVE PROPOSALS:**

**Savings Rationale**

The budget savings proposals have been developed with the aim on maintaining performance across Revenues, Benefits and Payments which ensuring income is maximised and costs minimised.

Proposed savings can be divided into those achieved by:

- the digital engagement of our customers (proposals C,D, E and I)
- an anticipated change in customer demand (A,B, H & K)

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|

- performance improvements across the service and costs savings (proposals G, J and L)
- invest to save proposal which would increase income collection (proposal F)

**Management savings**

The proposed management savings only equate to 8% of savings target as the service has relatively low numbers of managers and in most cases are single managers in a particular area. It is felt that further reductions in management levels would adversely impact service performance above an acceptable level.

**Further details on RAG assessment**

**A & B -** RAG Status is shown as AMBER as although it is considered by the service that additional burdens can be absorbed on the team, with minimal reduction in what is already good performance, the change along with the impact of welfare reform may substantially increase customer demand above levels that are sustainable without substantial decrease in performance. The impact of welfare reform on demand levels are hard to assess, although previous welfare reform programme saw massive increases it is anticipated that the current round will not have as significant impact.

**F -** RAG Status is shown as AMBER as service estimates that returns of £100k per year are achievable however visiting for debts such as CTR claimant arrears has not previously been tried and therefore estimates are at present an estimate

**H -** RAG Status is shown as RED as there is a risk that if we are unable to achieve a reduction in required visits, though automation and changes to empty property charging, we could be at risk of losing income through new assessments, changes to properties and New Homes Bonus particularly if sickness of vacancies occurred at specific times of the year. Additionally a reliance on external support would incur additional cost which would reduce proposed savings

**I -** RAG Status is shown as AMBER as changes will require the building in of substantial self-serve before 16/17 to allow the post to be disestablished without a negative impact across the service

**J -** RAG Status is shown as RED as changes are reliant on a substantial move of customers onto UC and also the impact on any future welfare reform measures not having a major impact on the Benefit teams workload. Low migration and significant increases in workload due to welfare reform will increase processing times and overpayments and could risk subsidy payments

**K -** RAG Status is shown as AMBER as changes are reliant on anticipated efficiency savings from Liquid Logic and impact of Care Act. Savings are factored in for 15/16 to allow implementation of Liquid Logic and development of new processes to introduce efficiencies

## ASR REF NO: RES-06

## CURRENT SERVICE SUMMARY (HR SERVICE CENTRE)

| | | |
|---|---|---|
| **Directorate:** | Resources | **Brief description of service:** The HR Service Centre provides Transactional HR and Payroll Services under a Shared Services Agreement for RMBC, DMBC, Schools, Academies, St Leger Homes Ltd., Doncaster Children's Services Trust and other organisations. Services include: Resourcing & Recruitment; Payroll; Customer Services; Training administration; Establishment Control; Payroll Reconciliation; Year End Compliance and System Management & development. The Shared Service Agreement runs until 31 March 2020 and is currently under a separate joint review. |
| **Advisory Cabinet Portfolio:** | Corporate Services and Budgeting (S. Alam) | |
| **2015/16 Budget (£'000 Gross):** | £2,914k | |
| **2015/16 Budget £'000 Income:** | £2,243k | |
| **2015/16 Budget (£'000 Net):** | £671k | |
| **2015/16 Budget FTE:** | 93.3 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Delete post of Operations Manager following the merger of the Operations and Systems Teams | Requires confirmation of existing temporary arrangements, including the deletion of a vacant post, re-allocation of duties to existing staff, along with resultant regradings and changes to spans of control. No impact should result outside of the Service Centre.<br><br>**RAG Status: Green** | 35 | 0 | 0 | 1 | 0 | 0 | 35 | 1 |
| B | Delete one post of Operations Senior and reduce Operations Teams from 4 to 3 | Requires confirmation of existing temporary arrangements, including the deletion of a vacant post, re-allocation of duties to existing staff, along with resultant regradings. The combined teams will increase the number of direct reports from 6 to 11 for the remaining Operations Senior. No impact should result outside of the Service Centre.<br><br>**RAG Status: Green** | 14 | 0 | 0 | 1 | 0 | 0 | 14 | 1 |
| C | Further Review of Management Structure. | Requires a restructure of senior management arrangements, resulting in the deletion of a management | 38 | 0 | 0 | 1 | 0 | 0 | 38 | 1 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | post. Likely to be a necessary VER or Severance to achieve the post reduction. No impact should result outside of the Service Centre.<br>**RAG Status: Amber** | | | | | | | | |
| D | Reclaim VAT on mileage | Requires system changes to HR Portal to collect necessary additional information.<br><br>**RAG Status: Green** | 50 | 0 | 0 | 0 | 0 | 0 | 50 | 0 |
| E | Other savings will be realised from ongoing work to automate processes, reduce paper based processes, and to enforce the use of electronic processes where available | Where possible, savings not impacting on service delivery will be taken.<br>**RAG Status: Red** | 0 | 50 | 0 | 0 | 2 | 0 | 50 | 2 |
| F | Continuation of efficiency savings as set out above. A further 2 fte savings would be required. | Continuation of efficiency savings as set out above.<br>**RAG Status: Red** | 0 | 0 | 50 | 0 | 0 | 2 | 50 | 2 |
| | **TOTAL** | | 137 | 50 | 50 | 3 | 2 | 2 | 237 | 7 |

**COMMENTS ON ABOVE PROPOSALS:**
Under the Shared Services Agreement with Doncaster, any savings creating "in year underspends"( ie. the difference between costs and fees) in respect of the shared services will be split on the basis of 60:40 (Rotherham:Doncaster).

Savings proposals C, E, and F, may involve a Compulsory Redundancy process if suitable vacancies do not arise, and if VER or Severance is not offered.

Savings proposals E and F have been ragged as Red because there are a number of dependencies, these include: enforcing the use of electronic processes (where available) requires senior management support and buy-in in respect of Rotherham Directorates, the agreement of Doncaster Council in respect of their Directorates, and the co-operation of external organisations such as Academies, St Leger Homes (Doncaster's Housing ALMO), and Doncaster Children's Services Trust. These may also require further System development work and additional IT equipment procurement.

## ASR REF NO: RES-07

## CURRENT SERVICE SUMMARY: *CORPORATE HUMAN RESOURCES*

| | | |
|---|---|---|
| **Directorate:** | **Assistant Chief Executive's** | **Brief description of service:** The service ensures the organisation complies with current employment legislation through the provision of specialist Human Resources advice, guidance and support on matters relating to Corporate HR Policy, Performance, Organisational Development, Employee Relations, Disciplinary, Grievance, Capability, Sickness, Restructures, TUPE, Trade Unions and Employee Engagement/Involvement. This entails production of whole Council policies/strategies which support the internal management of the Council, Human Resources advice, guidance and support on matters relating to policy, strategies, targets and objectives including developments in employment law and relevant legislative changes, managing resolution of disputes and conflicts. |
| **Advisory Cabinet Portfolio:** | **Corporate Services and Budgeting (S. Alam)** | |
| **2015/16 Budget (£'000 Gross):** | 1306 | |
| **2015/16 Budget £'000 Income:** | 361 | |
| **2015/16 Budget (£'000 Net):** | 945 | |
| **2015/16 Budget FTE:** | 24.7 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Increase income from salary sacrifice schemes | Dependant on continued take up by employees and increased marketing<br><br>**RAG Status: Green** | 100 | 0 | 0 | 0 | 0 | 0 | 100 | 0 |
| B | Utilise Housing Revenue Account funding to offset employability salaries | Risk if Housing revenue Account funding is restructured.<br><br>**RAG Status: Amber** | 25 | 0 | 0 | 0 | 0 | 0 | 25 | 0 |
| C | Increase income from Schools HR Consultancy | Increase in fees risks loss of Schools buying back the service, so this approach will need to be tested with Schools prior to implementation.<br><br>**RAG Status: Amber** | 15 | 10 | 0 | 0 | 0 | 0 | 25 | 0 |
| D | Further increase in income from Schools HR Consultancy | It is considered that the increase for 2018/19 carries a high risk in that the level may make the service | 0 | 0 | 10 | 0 | 0 | 0 | 10 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | uncompetitive and Schools may choose to buy the service from alternative suppliers.<br><br>**RAG Status: Red** | | | | | | | | |
| E | Reduction in management development budget | Assumes a reduction in intense level of activity beyond year 1 of the Improvement Plan.<br><br>**Rag Status: Amber** | 0 | 10 | 10 | 0 | 0 | 0 | 20 | 0 |
| F | Reduction in staffing of 1 x Band H post in the HR Consultancy Team. | Proposal is based on lower demand for support due to reduced number of employees expected in reshaped organisation in 2018/19. This will reduce capacity for direct support to management on employment relations case work, sickness absence management and restructuring exercises.<br><br>**Rag Status: Amber** | 0 | 0 | 37 | 0 | 0 | 1 | 37 | 1 |
| G | Further reduction in staffing 1 x PO16 Consultancy HR Business Partner and 0.5 x Band H/I post from across the service | This proposal is based on an assumption that there will be a significant reduction in the size of the organisation which will lead to a substantial reduction in the demand for professional HR support. The loss of these posts is likely to have a significant impact on the level of support able to be delivered both on operational and organisational development activity and may increase the risk of employment relations issues.<br><br>Staffing savings are unable to be achieved before year 3 as the service is experiencing an unprecedented demand on the Corporate and Consultancy elements of the HR service.<br><br>**Rag Status: Red** | 0 | 0 | 80 | 0 | 0 | 1.5 | 80 | 1.5 |
| H | 25% Reduction in Trade Union Secondment budget | The reshaping of the organisation and anticipated reduction in employees working for the Council over the coming years is anticipated to allow for a future review and reduction of | 0 | 0 | 35 | 0 | 0 | 1 | 35 | 1 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Trade Union secondment time.<br><br>Risks are in relation to the employment relations which would exist if the workforce, and as a consequence Union membership, does not reduce to the degree that reduces correspondingly the need for secondment time.<br><br>Given the scale of savings proposals across the organisation, however, this level of reduction of the secondment budget is seen as reasonable to anticipate.<br><br>**Rag Status: Red** | | | | | | | | |
| | **TOTAL** | | 140 | 20 | 172 | 0 | 0 | 3.5 | 332 | 3.5 |

**COMMENTS ON ABOVE PROPOSALS:** Since 2010 the staffing establishment for the service has reduced by 33% (12 FTE) placing pressure on the ability to deliver the Organisational Development activity and Consultancy Services expected. The Improvement Plan places significant emphasis on Corporate HR in relation to delivery of actions and changes at Service level, both in terms of the Improvement Plan and the outcomes of All Service Reviews, will generate further activity. This is in addition to the increased workload faced as organisational change has gathered pace in response to the outcomes of the Jay report and OFSTED and CGI inspections. It has been identified that this will require a temporary increase in resources over the next 2 years.

Management level savings proposed for year 3 represent 35% of the total savings target.

## ASR REF NO: RES-8

## CURRENT SERVICE SUMMARY: *ICT*

| | |
|---|---|
| **Directorate:** | Finance and Corporate Services |
| **Advisory Cabinet Portfolio:** | Corporate Services and Budgeting (S. Alam) |
| **2015/16 Budget (£'000 Gross):** | (5,928) |
| **2015/16 Budget £'000 Income:** | 2,713 |
| **2015/16 Budget (£'000 Net):** | (3,215) |
| **2015/16 Budget FTE:** | 97.4 |

**Brief description of service:**

The ICT Service is responsible for delivering ICT services in all Council facilities across the whole of the Borough (i.e. including service centres, libraries, care homes etc.). It manages the infrastructure that supports and maintains all the systems that the Council operates, including:

- The development of new systems and databases, including web based systems. Current major systems developments include new social care, and integrated housing management systems.
- Training for systems users.
- Provision of an ICT service desk that takes in excess of 70,000 calls per year and includes technicians resolve technical problems.
- Server, data storage and network infrastructure support services, email and telephony systems.

ICT supports services to introduce new technologies to improve the services they provide to the Public and to improve efficiency.

The service also ensures all Government security standards are complied with through effective change Management, IT and data security, compliance with government legislation, test management, business continuity. It also manages all ICT contracts.

There is a Schools Connect team which provides bespoke IT services to schools on a traded basis.

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | The Council currently hosts many of the systems it uses in its own data centre at Riverside House. The in-house costs of hosting systems includes expensive servers (hardware) on which systems are held and operate, back-up and senior technical staff to maintain the systems. | This will have a very limited impact on the provision of services, since it reduces 'back office' ICT support resources currently required to maintain systems hosted on the Council's own networks. There may be a very small amount of disruption when systems are 'switched' to the Cloud although any changeovers would be scheduled for quiet periods (e.g. weekends) and system owners would be consulted on the scheduling in advance to ensure any impact on service users could be avoided / minimised.. | 40 | 40 | 40 | 1 | 1 | 1 | 120 | 3 |

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | Suppliers are increasingly offering hosted solutions whereby they hold the systems and data and users access this via 'the Cloud'. Moving to supplier hosted solution can achieve savings although this has to be assessed on a case by case basis.<br><br>This proposal is to move towards supplier hosted solutions where it is economically advantageous to do so. This will reduce the equipment in our data centre and associated support resources required to maintain systems on local infrastructure.<br><br>There will also be financial benefits from reduced energy usage and licence fees. | **RAG status – Green**. Achievable in a managed way over time, with little impact on services | | | | | | | | |
| B | The Council's data centre at Riverside House meets the highest standards of security. It was originally configured by the RBT strategic partnership and provided an asset that contains spare capacity which, because of the level of security it provides, is attractive to | This will have limited / no impact on Council services. The Council will need to market and sell the space (it is likely to be better to use a business partner to do this) and will need to set up the appropriate security arrangements – this latter requirement is not expected to be onerous.<br><br>**RAG status – Amber** (1) There is a risk that no/limited market exists to take up the spare capacity, although our | 50 | 100 | 100 | | | | 250 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | others requiring space to store their systems.<br><br>A current review confirms there is a market for secure data facilities, and this proposal is to sell spare capacity that exists within the data centre. | initial research indicates demand does exist. (2) The arrangement would be unusual for the Council and would, therefore, have to be given due care when set up. | | | | | | | | |
| C | An initial financial review has indicated ICT services currently provided to schools are at a net cost to the Council because there has not been a full apportionment of management and other overheads.<br><br>This proposal is to charge schools fully for the cost of ICT support they receive. | This would have no impact on Council services, but would result in schools paying marginally more for the ICT services they receive.<br><br>**RAG status – Green**. There is some risk of a negative reaction from schools, but the increase is fairly modest (<£1,000 per school on average). The proposal places the provision onto a break-even financial footing.<br><br>*An alternative would be to increase rates over two years, which would provide savings of £20k in 2016/17 and a further £20k in 2017/18* | 40 | | | | | | 40 | |
| D | As with home computing systems, the Council's systems require regular updates, upgrades and fixes. This work is known as 'patching' work. Currently, 'patching' work is done during evenings and/or weekends to minimise disruption to services | This would create a fairly significant impact on services.<br><br>Most services, except any exempted from the proposed practice, would lose their systems for one half day per month to enable any system fixes / updates, which are currently done overnight or during weekends, to be carried out during normal working hours. Even though downtime would be scheduled, so that services would know when it would happen, this could still cause | 30 | | | | | | 30 | |

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | and service users. ICT Technicians are paid overtime for carrying out this work out of normal hours.<br><br>This proposal is to reduce overtime costs by carrying out some 'patching' work in normal working hours. Major systems could be excluded, with patching for these still done out of normal working hours. | disruption. This could create difficulties for any customer facing services / systems not exempted.<br><br>There would also be a side-effect that the work ICT staff would be doing in normal time would be displaced by system updates / fixes.<br><br>**RAG status** – Amber – Impact on services due to planned system downtime<br><br>An alternative might be to seek to change contracts to include out of hours 'patching' work. | | | | | | | | |
| E | ICT currently provides 24/7 support, which is recognised for those staff who provide the support through 'stand-by' payments and overtime when they are called out to respond to any issues arising.<br><br>This proposal would replace 24/7 support with extended support during weekdays (e.g. 7am to 7pm Monday to Friday). | There would be no cover provided to address any issues arising outside of the agreed periods. This could impact some significant services providing 24/7 cover themselves, including care and housing services. Eg if a problem arises during weekends or overnight in these areas it could mean the services would not be able to access their systems or data. It could also impact on Members who do use the out of hours service.<br><br>**RAG status** – Amber – Potential impact on services where problems arise out of agreed cover periods | 15 | | | | | | 15 | |
| F | As the Council restructures / reduces in size, it reduces its | There will be no impact. The proposal involves applying better housekeeping and contract management to the Council's | 20 | 20 | 10 | | | | 50 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | telephony requirements, including the number of lines it requires.<br><br>ICT will rationalise telephony provision to reflect changing requirements and savings imperatives and cancel obsolete phone lines | telephony requirements.<br><br>**RAG status – Green.** | | | | | | | | |
| G | An initial financial review has indicated ICT services currently provided to housing (the Housing Revenue Account) are at a net cost to the Council's General Fund because there has not been a full apportionment of management and other overheads.<br><br>This proposal is to charge housing (the HRA) fully for the cost of ICT support the service receives. | This would have no impact on Council services, but would result in the Housing Revenue Account paying more for the ICT services it receives.<br><br>**RAG status – Green.**<br><br>Requires confirmation of the availability of HRA funding | 40 | | | | | | 40 | |
| I | There are an increasing number of web-based office tools available for data storage and use. Adoption of such tools in a secure way enables the Council | This would have very limited impact. Services would have slightly different means of accessing and using data but this would require minimal instruction. | | 50 | 50 | | | | 100 | |

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | to reduce its reliance on Microsoft Office systems on its laptops etc. (for which it requires annual licences).<br><br>This proposal, for the medium term, is to use web-based tools as appropriate, and reduce current licence costs. | There would be no adverse impact on service users.<br><br>**RAG status – Green.** | | | | | | | | |
| J | An initial review of the organisation design of the service indicates there are opportunities to streamline the vast array of core systems it uses (note – core infrastructure systems and not service systems) and the staffing resources required to maintain this infrastructure.<br><br>This proposal would be to | This should have limited impact on services and ensure ICT provides better services at lower cost.<br><br>Council services may have to adapt slightly, although any changes should be to improve systems and user experiences. Any significant changes would be subject to separate proposals and agreement.<br><br>**RAG status – Amber** Significant piece of work, with precise ultimate outcomes not known | 200 | 60 | 60 | 6 | 3 | | 320 | 9 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | complete a restructure that is supported by a more streamlined infrastructure and better meets the Council's needs. | | | | | | | | | |
| K | An initial review of contracts indicates the Council has some systems / services or elements of systems / services that are unused and surplus to requirements. These are typically bought as part of broader bundles.<br><br>It is proposed to reduce the scope of these contracts either through negotiation or over time as current contracts expire. | This will have only marginal impact and only where current premium ICT services are used. Any ICT services that are deemed to be essential will be retained.<br><br>There is some uncertainty over the value of savings achievable as these are subject to negotiations and/or re-tendering, but the scheduled values, spread over 3 years, are considered to be reasonably prudent.<br><br>**RAG status – Green.** | 50 | 70 | 80 | | | | 200 | |
| | **TOTAL** | | 485 | 340 | 340 | 7 | 4 | 1 | 1,165 | 12 |

**COMMENTS ON ABOVE PROPOSALS:**
The options and savings above have been partly influenced by preliminary findings from a strategic review of the service. The Service was formerly outsourced as part of the RBT partnership and has made savings of 40% of its cost since returning into the Council in 2012. The Service has enquired about prospects for shared services across South Yorkshire but has found no appetite amongst colleagues in our neighbouring authorities.
There are 13 management / team leader posts with a cost of c£650k. 15% of this equates to £97,500. It is anticipated that (at least) 2 manager level posts would be at risk mainly as a result of the organisation review which if resulting in the posts being dis-established would result in savings of c£100k. With an estimated 10 other posts at risk, there should be no significant changes in spans of control.

## ASR REF NO: RES-09

## CURRENT SERVICE SUMMARY *(POLICY & PARTNERSHIPS )*

| | | |
|---|---|---|
| **Directorate:** | Resources | Provides policy advice, development and analysis, including around major legislation and specific corporate projects (e.g. Improvement Plan, welfare reform, local welfare provision, City Region). The team's role is to inform, motivate and support effective policy development across the Council. This involves working with the Senior Leadership Team, Directors/Senior Managers, Members and Commissioners to drive and challenge the adoption and implementation of high quality and effective policies.<br><br>The team also provides dedicated secretariat support to Rotherham's Local Strategic Partnership - which brings together the main partner organisations across the borough (NHS, Police, Fire, Chamber of Commerce, Voluntary & Community Sector, Further and Higher Education etc.) to work more effectively in line with shared priorities. It has a specific responsibility to ensure the launch of a re-modelled and expanded Partnership from September 2015, followed by the production of a new Community Plan for Rotherham from 2016. The team therefore acts as a key liaison point with the Voluntary and Community Sector and other bodies; and also provides further policy and secretariat support to ta number of the Partnership's support structures, particularly the Health and Wellbeing Board. Through this role it is also called upon to manage and lead community engagement exercises (e.g. the recent programme of community roadshows).<br><br>The team's research and analysis capacity offers the councils main mapping, census/IMD data, IMD data and survey interpretation resources. It has a key role in producing Rotherham's "Joint Strategic Needs Assessment", which the council is required to undertake in partnership with health services to establish current and future health and social care needs of the population (and plan for better outcomes). |
| **Advisory Cabinet Portfolio:** | Leader/Corporate Services and Budgeting (S. Alam) | |
| **2015/16 Budget (£'000 Gross):** | £355k | |
| **2015/16 Budget £'000 Income:** | £212k | |
| **2015/16 Budget (£'000 Net):** | £144k | |
| **2015/16 Budget FTE:** | 6.0<br><br>(1.6 "Partnership and 4.4 "Policy") | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Ending current annual budget "surplus" arising from staff member moving from 1.0 to 0.9 FT | None. **"Green" rated.**<br><br>Could be delivered in year (2015/16) | 6 | 0 | 0 | - | - | - | 6 | - |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
| B | Ending current team budget provision for "subscriptions" and adopting a new, shared corporate approach to relevant commitments - Note: budget line was unspent in 2014/15 and not expected to be drawn upon in 2015/16 | None. **"Green" rated**<br><br>Could be delivered in year (2015/16)<br><br>However, this may compromise in part the possibility of funding the council's membership of the Local Government Information Unit (LGiU). There is no current budget for this c. £10k subscription, which generates a range of briefings and information utilised across the council (Policy, Performance, Scrutiny, Member Development, as well as Service Teams). | 2 | 0 | 0 | - | - | - | 2 | - |
| D | Possible utilisation of Partnership contributions, which are currently funding an annual "surplus" of partners' funding against current support levels, to part-fund one existing team post and allocate this as a more formal "Assistant Partnership Manager". Partner contributions reflect a previous Assistant Manager post, which was not refilled. The Partnership CEO Group has already noted its support to utilise their funding surplus for a (part time) "Assistant". A specific proposition from the | **"Red" RAG rated** as this is based on the use of the Partnership's funding and detailed consultation and discussion with Partners is yet to take place.<br><br>This would mean an approx. 0.4 FTE loss in the current team's dedicated, core capacity on RMBC policy matters – taking the total FTE of direct RMBC policy support capacity down from 4.4FTE (on basis 1.6FTE posts in the team are Partnership focused) to 4.0FTE.<br><br>This could, for example, lead to less policy support resource able to be dedicated to Sheffield City Region and/or Health and Wellbeing Board matters.<br><br>While there is agreement amongst Partners to invest their joint funding into more dedicated support for the Partnership, formal consultation with staff and Partners has not yet taken place about this particular proposal. | 20 | 0 | 0 | - | - | - | 20 | - |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | Council to Partners could therefore be for an existing P&P Team member to provide this formal Assistant role, on a part time basis, devoting their remaining time to core RMBC policy business. This would provide around £20k p.a. to offset approx. 2 days a week of a current officer post (Band J). This would reflect the fact that the wider Policy Team contributes to the Partnership at present without this additional contribution to RMBC costs, but would also put the arrangement on a more formal, open and transparent footing. | There could also be existing team members interested in such a role; or there may also be officers in other teams with an interest. This would therefore need to be handled carefully.<br><br>**RAG rating - Amber** | | | | | | | | |
| E | Income target – additional Rotherham Partnership contributions from an expanded membership | **Red RAG rated**, as this will be entirely based on the success of the new Rotherham Together Partnership, which launched in September and holds its first substantive meeting in December 2015.<br><br>By Year 3 (2018/19), the remodelled Rotherham Partnership will have been in existence, with an expanded membership (e.g. HE institutions) for around 3 years and will be looking ahead, no doubt, to refreshing its vision and Community Strategy. It is not | 0 | 0 | 5 | - | - | - | 5 | - |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | considered realising in Year 1 (or indeed Year 2) of the new Partnership to request additional contributions from member bodies. Many of the new members will be there via invitation and should not be expected to pay a fee for their contribution from the start.<br><br>However, by year three there should be demonstrable progress in the outcomes being achieved by the Partnership and more confidence in requesting the expanded membership (such as the two Sheffield Universities) for an additional contribution to the Partnership's work.<br><br>In return there would need to be an explicit commitment to increase the support resource for the Partnership's work from with the current team – e.g. by further extending the role of the "Assistant" role at that stage. | | | | | | | | |
| | **TOTAL** | | 28 | 0 | 5 | 0 | 0 | 0 | 33 | 0 |

**COMMENTS ON ABOVE PROPOSALS:**
Since the appointment of Commissioners, the small Policy Team has carried out a range of essential tasks on their behalf, from supporting the Improvement Plan and its implementation strategy, the programme of Consultation/Visioning Roadshows (and associated response analysis), review of the Health and Wellbeing Board and re-modelling of the Rotherham Local Strategic Partnership. It is also providing policy input to the Budget Planning Process and wider service review activity in support of Commissioner requirements. The measures noted above broadly meet the total funding reduction target, through-front loaded into year one. Given the key role of a strong policy resource in support of the corporate core of the organisation (post-CGI), as well as, specifically, to support the new Chief Executive and Assistant Chief Executive posts in due course, it is not being proposed to cut further what in effect amounts above to between 4.0 and 4.4FTE policy officers (with 1.6FTE posts providing the core support for the Partnership), depending on Member views with regard to action/proposal D above).

Note: income for the Team includes £82k from Partner contributions to the costs of the Partnership "secretariat"; and £127k via an SLA with Public Health reflecting the team's support to the Health and Wellbeing Board/Strategy, the Joint Strategic Needs Assessment (JSNA) and other statistical/analysis support. The Public Health SLA is currently agreed and in place until the end of 2016/17 – a formal commitment is required from Public Health about the continuation of this SLA support for the years after 2016/17 (though it is understood that current PH commitments such as this SLA are not being factored in to their saving proposals, full clarification will be required in due course).

## ASR REF NO: RES-10

## CURRENT SERVICE SUMMARY (*INSURANCE*)

| | | |
|---|---|---|
| **Directorate:** | Finance and Corporate Services | **Brief description of service:**<br><br>The Insurance and Risk Team comprises 2.8 fte. It maintains the Council's insurance portfolio and deals with all insurance claims made against the authority (roughly around 800 per year) (including CSE). The Team also supports the preparation of the Council's statutory Annual Governance Statement, maintains the corporate risk register and provides advice and support on insurance and risk management matters. |
| **Advisory Cabinet Portfolio:** | Corporate Services and Budgeting (S. Alam) |
| **2015/16 Budget (£'000 Gross):** | (81) |
| **2015/16 Budget £'000 Income:** | 351 |
| **2015/16 Budget (£'000 Net):** | 270 |
| **2015/16 Budget FTE:** | 2.8 |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | The Service has agreed proposals with the South Yorkshire Passenger Transport Executive to administer the Executive's | There will be no impact on services. | 15 | 0 | 0 | | | | 15 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17<br>£'000 | 17/18<br>£'000 | 18/19<br>£'000 | 16/17<br>FTE | 17/18<br>FTE | 18/19<br>FTE | TOTAL<br>£'000 | TOTAL<br>FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | insurance claims.<br><br>This will reduce the Executive's external costs and provide income to the Council. | The SYPTE has only a small number of claims (c30 per year) and the administration of these can be absorbed without detrimental impact on the Council or its resources (we receive c800 claims per year).<br><br>**RAG status – Green.**<br><br>The arrangement with the SYPTE has already been agreed. | | | | | | | | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | The Council's general claims record is exemplary and continues to improve year on year as a result of the general risk management arrangements in place within services for minimising the risk of claims. The impact of this is reduced premiums charged by insurers for the provision of insurance.<br><br>This proposal is to reflect an anticipated reduction in the cost of insurance in the Council's budget.<br><br>*Note: This proposal is exclusive of any CSE related claims.* | There will be no impact on services.<br><br>Based on a general claims record (excluding CSE cases) we are anticipating modest reductions in the cost of insurance cover in each of the next two years. This is a simple adjustment to the current budget to more accurately reflect the likely cost of insurance cover.<br><br>**RAG status – Green.**<br><br>The assessment is based on the current level of claims that, with the exception of CSE cases which are exceptional and dealt with separately, is falling. | 25 | 25 | 0 | | | | 50 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| C | Since the major terrorist attacks in New York and London, and subsequently other cities, local authorities have considered taking out terrorism insurance to cover the cost of damage to buildings (the scope of terrorism cover is limited to buildings). Around half of the local authorities in the region currently have terrorism cover, including Rotherham, and half do not. The current cost of cover is c£60,000 p.a.<br><br>It is not recommended to withdraw Terrorism Cover completely at this time, but there is an option for the Council to save c£20,000 p.a. in the cost of cover by reducing the overall value of cover from £100m to £50m. | The proposal would result in a very small increase in overall risk to the Council. Ie. In crude terms, it would require several buildings exceeding the value of £50m* spread across the Council to be lost in the same incident. The likelihood of this is now significantly reduced following the town centre property rationalisation programme and the centralisation into Riverside House. It should be noted that the cost of replacing Riverside House does not fall within the Council's insurance arrangements, as cover is catered for with the property lease for the building.<br><br>If an incident did occur which resulted in losses of between £50m and £100m, the reduction in cover would most probably (i.e. unless there would be any Government Aid) leave the Council covering any costs above £50m. However, our risk assessment is that this is a risk which we are able to take.<br><br>* including the cost of provision to ensure business continuity<br><br>**RAG status – Green.** | 20 | 0 | 0 | | | | 20 | |
| | **TOTAL** | | 60 | 25 | 0 | 0 | 0 | 0 | 85 | 0 |

## ASR REF NO: RES-11

## CURRENT SERVICE SUMMARY *(INTERNAL AUDIT)*

| | | |
|---|---|---|
| **Directorate:** | Finance and Corporate Services | **Brief description of service:** The Accounts and Audit Regulations make it a statutory requirement to have an adequate and effective internal audit and to carry out sufficient work each year to issue an annual opinion on the Council's internal control environment The current Internal Audit Service carries out a programme of planned audits designed to assess whether the Council's significant risks are being effectively managed and its core financial systems are operating effectively and accurately. The Service also investigates any suspected fraud or other irregularities and provides advice to services on a wide range of control matters. This element of work provides crucial support to managers and is highly regarded by them. |
| **Advisory Cabinet Portfolio:** | Corporate Services and Budgeting (S. Alam) | |
| **2015/16 Budget (£'000 Gross):** | (463) | |
| **2015/16 Budget £'000 Income:** | 64 | |
| **2015/16 Budget (£'000 Net):** | (399) | |
| **2015/16 Budget FTE:** | 8.4 | |

## SAVINGS PROPOSALS:

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Internal Audit has reduced in size by 50% over the last 5 years, from 16.8fte in 2010/11 to 8.4fte in 2015/16 and has lost some specialist skills in the process (for example ICT audit capacity).<br><br>In view of the savings already made and the requirement to achieve more, this would make the current service model unsustainable; there would be insufficient resources available internally to provide the range of expertise needed within the service.<br><br>Consequently, following a strategic review of options, it is proposed to move to a mixed model of provision, where an in-house team continues to deliver general audit coverage while specialist audit requirements are commissioned externally. | Overall, the proposal should ensure sufficient audit coverage can be achieved in general areas, while enabling audit in specialist areas to be increased to an appropriate level to address risks in these areas. This should result in an overall positive impact from the proposed changes on the Service's effectiveness.<br><br>**RAG status – Amber**. Requires agreement to move to a mixed model, involving a restructure and the loss of 2 posts | 25 | | | 2.0 | | | 25 | 2.0 |
| | **TOTAL** | | 25 | 0 | 0 | 2.0 | 0 | 0 | 25 | 2.0 |

**COMMENTS ON ABOVE PROPOSALS:**
Service management costs are currently £180k (1x Chief Auditor, 1 x Audit Manager and 2 x Principal Auditors). Management Savings options relating to proposals A and B range from £50k to £90k (i.e. 13% to 23%). Because of reductions in the general staffing establishment, spans of control are not expected to be unmanageable.

Further strategic options available are to outsource the service entirely, although a mixed model of provision is thought to achieve the benefits of bringing in additional specialist expertise as required, while having a local in-house team on site to deliver planned work and address any urgent requirements.

# ASR REF NO: RES-12

## CURRENT SERVICE SUMMARY (*BUSINESS SUPPORT)*

| | | |
|---|---|---|
| **Directorate:** | Resources | **Brief description of service:**<br><br>Centralised Business Support includes: -<br><br>• Management Support: The provision of Personal Assistant and Management Secretarial support to Senior Management.<br>• Riverside Business Support Team: The distribution of incoming mail throughout Riverside House, the design and production of ID Badges, mobile phone recharges, petty cash, ordering managed goods (paper and envelopes), restocking of Multi-Function Devices and administration of the Plan Printers in Riverside House.<br>• N.B. The Corporate Mail Room and Corporate Print Unit based in Bailey House would normally be considered as part of Centralised Business Support Services however these are being considered as part of the 'Print and Post' All Service Review. |
| **Advisory Cabinet Portfolio:** | Corporate Services and Budgeting (S. Alam) | |
| **2015/16 Budget (£'000 Gross):** | £339 | |
| **2015/16 Budget £'000 Income:** | -£81 | |
| **2015/16 Budget (£'000 Net):** | £258 | |
| **2015/16 Budget FTE:** | MST 11.42<br>BST 1.81<br>+ 1 x Apprentice | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | To implement an alternative Management Support operating | Additional Personal Assistant and Management Secretary posts are required in the short term in order to be able to meet | 0 | 27 | 55 | 0 | 1 | 2 | 82 | 3 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | model that provides for shared management support and allows for the reduction of staff numbers by 1 x PA post (Band H) and 2 x Management Secretary posts (Band E).<br><br>A reduction of 3 ftes is equivalent to a 25% reduction in staffing. | the support requirements of the new Chief Officer structure and the additional demands/workload being created by the Council's current improvement journey post the publication of the Jay and Casey reports, and allied to the work of Government Commissioners.<br><br>Implementation of an alternative Management Support operating model i.e. shared management support is to be undertaken after the Chief Officer restructure and improvement plans are well embedded - this is therefore likely to take effect during years 2 and 3 of the 3 year saving programme.<br><br>**RAG Status : Green** | | | | | | | | |
| | **TOTAL** | | 0 | 27 | 55 | 0 | 1 | 2 | 82 | 3 |

## ASR REF NO: RES-16

## CURRENT SERVICE SUMMARY *ELECTORAL SERVICES*

| | | |
|---|---|---|
| **Directorate:** | Resources | **Brief description of service:**<br><br>Electoral Services provides voter registration services and delivers elections and referendums. It is a frontline service and is impartial in serving electors' interests and supporting political parties and candidates in the electoral process. The service supports the Returning Officer/Electoral Registration Officer (usually the Chief Executive) in meeting his/her duties in the statutory office of Returning Officer and Electoral Registration Officer. Legislation governs the way in which services are delivered. |
| **Advisory Cabinet Portfolio:** | Corporate Services and Budgeting (S. Alam) |
| **2015/16 Budget (£'000 Gross):** | 618 |
| **2015/16 Budget £'000 Income:** | 13 |
| **2015/16 Budget (£'000 Net):** | 605 |
| **2015/16 Budget FTE:** | 8 |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | The introduction of All out Borough Council Elections every 4 years | A significant budget saving can be offered in 2017/18 as there will be no Borough elections taking place until 2020/21.<br><br>There are no staffing implications associated with this saving.<br><br>**RAG Status : Green** | 0 | 215 | 0 | 0 | 0 | 0 | 215 | 0 |
| | **TOTAL** | | 0 | 215 | 0 | 0 | 0 | 0 | 215 | 0 |

## ASR REF NO: RES-17

## CURRENT SERVICE SUMMARY *COMMITTEE SERVICES*

| | | |
|---|---|---|
| **Directorate:** | Resources | **Brief description of service:** Committee Services provides a full range of support to facilitate the effective governance of the Council, the Cabinet, Boards, Committees and Panels and Officer Meetings, including management and arrangements for the webcasting facility and the Education School Appeal process. |
| **Advisory Cabinet Portfolio:** | Corporate Services and Budgeting (S. Alam) | |
| **2015/16 Budget (£'000 Gross):** | 170 | |
| **2015/16 Budget £'000 Income:** | 0 | |
| **2015/16 Budget (£'000 Net):** | 170 | |
| **2015/16 Budget FTE:** | 4 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Additional income through the charging of Academies for the servicing of School Admission Appeals. | Committee Services and the School Planning, Admissions and Appeals Service within CYPS have entered into a Service Level Agreement with Academies for the charging of servicing and administration of Admission Appeals.<br><br>**RAG Status : Green** | 15 | 0 | 0 | 0 | 0 | 0 | 15 | 0 |
| | **TOTAL** | | 15 | 0 | 0 | 0 | 0 | 0 | 15 | 0 |

## REF NO: RES-18

## CURRENT SERVICE SUMMARY - *TOWN HALL CATERING*

| | | |
|---|---|---|
| **Directorate:** | Resources | **Brief description of service:**<br><br>The Town Hall Catering Unit provides refreshments to Council and Officer meetings held at the Town Hall, lunchtime meals and sandwiches from the John Smith Room, 'Today's Special' for Riverside House café and catering for Mayoral and Civic functions. The Unit will also provide catering i.e. for meetings / events held in Riverside House or to private bookings. |
| **Advisory Cabinet Portfolio:** | Corporate Services and Budgeting (S. Alam) | |
| **2015/16 Budget (£'000 Gross):** | 105 | |
| **2015/16 Budget £'000 Income:** | 78 | |
| **2015/16 Budget (£'000 Net):** | 27 | |
| **2015/16 Budget FTE:** | 3.4 | |

## SAVINGS PROPOSALS:

| **Ref:** | **Action** | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | **16/17** £'000 | **17/18** £'000 | **18/19** £'000 | **16/17** FTE | **17/18** FTE | **18/19** FTE | **TOTAL** £'000 | **TOTAL** FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Reduction in the provision of Town Hall Catering | A reduction in demand prompted a review of the Town Hall Catering Unit and has determined that some services provided by the Unit could cease whilst others could be absorbed by other Council catering services. | 55 | 0 | 0 | 1.54 | 0 | 0 | 55 | 1.54 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | A number of short-term changes could therefore be made to reduce expenditure by over £55k. These are: -<br><br>• End the practice of serving hot lunches at the Town Hall and instead use Riverside House café.<br>• Reduce staffing from 6 (3.4 fte) to 3 (1.86 fte).<br>• Provision of the lunchtime special to Riverside House café to be provided from an alternative Council catering facility (Facilities Management to determine).<br><br>The £55k saving is based on a part closure of the Town Hall kitchen. Some services would be retained i.e. the provision of teas and coffees and a limited snack/lunch service e.g. sandwiches, whilst others duties would cease - i.e. the provision of hot meals at lunchtime.<br><br>A more joined up approach with other Council catering services would allow some responsibilities to transfer to other Council catering facilities i.e. the provision of the Today's Special menu for Riverside House café.<br><br>In addition the provision of two vending machines is also proposed – one for hot drinks and another for snacks – as an additional service to Members and staff. | | | | | | | | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | There would remain occasions where catering will need to be bought-in, e.g. special events, from whichever provider is in-keeping with the current costs and nature of the event (e.g. silver service, sit down meal or buffet style).<br><br>There are 6 posts (3.4fte) affected by this proposal. The proposal will require a reduction to 3 posts (1.86 fte). One member of staff retired in August therefore 2 members of staff would be considered for redeployment, into school catering or "Breathing Space", where there are known to be vacancies.<br><br>**RAG Status : Green** | | | | | | | | |
| | **TOTAL** | | 55 | 0 | 0 | 1.54 | 0 | 0 | 55 | 1.54 |

**COMMENTS ON ABOVE PROPOSALS:**

Catering across the Council is currently provided from across at least three separate management structures: -

- CYPS – schools catering, Riverside House café and Breathing Space
- EDS – Country Park cafes, the theatre and museum.
- Legal and Democratic Services – Town Hall catering

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A more strategic view of catering provision across the Council is required to determine the long-term, best practice operating model to deliver value for money. A fuller review of the overall catering services of the council is therefore to be undertaken to: -<br><br>• Make proposals for a single point of management, and<br>• Make arrangements on how efficiency could be improved, savings made and income generated.<br><br>A number of recent changes at the Town Hall have resulted in a reduction in the amount of work undertaken by the Town Hall Catering Unit and has prompted this review. The changes include: -<br><br>• The introduction of flasks in meetings to replace the waitress serving of drinks at Member meetings held at the Town Hall.<br>• A reduction in the order for 'Today's Special' meals for the Riverside House café.<br>• Fewer meetings now being held at the Town Hall. | | | | | | | | | |

## ASR REF NO: RES-21

## CURRENT SERVICE SUMMARY *LEGAL*

| | | |
|---|---|---|
| **Directorate:** | Resources | **Brief description of service:**<br>The Legal Services Division provides professional, high quality, value for money, legal advice to ensure the Council achieves its aims and acts lawfully. The Legal Teams provides support in the following areas: -<br>▪ Contract and commercial issues (Procurement, contract terms, negotiation support)<br>▪ Property related transactions and issues including compulsory purchase orders, landlord and tenant<br>▪ Corporate governance – democratic processes, probity matters including changes to Standing Orders, Standards Committee investigations and the Confidential Reporting Code.<br>▪ Criminal and civil litigation matters, including arbitration, dispute resolution<br>▪ Social Care – Adults and Childcare<br>▪ Data protection, freedom of information and records management matters, including advice on exempt reports, reviewing Freedom of Information Act decisions and retention of information<br>▪ Employment matters including employment tribunals<br>▪ Highways advice, Traffic Regulation Orders, Traffic Management<br>▪ Forward Planning, Development Control, Enforcement and Planning Appeals<br>▪ Housing possession claims and subsequent enforcement<br>▪ Injunction applications, Anti-Social Behaviour Order applications, Defending housing disrepair claims<br>▪ Prosecutions, Applications for search warrants<br>▪ Licensing Board & sub-committees, Licensing appeals, Other appeals (e.g. Abatement Notices)<br>▪ Defending Judicial Review claims<br>▪ Complaints Panels & Ombudsman investigations<br>• The Legal Business Support Team provides dedicated administrative support to the Legal Management Team and Legal Teams.<br>• The Legal Service also manages the statutory costs account which covers the cost of statutory public notices and unanticipated corporate legal advice arising during the year. |
| **Advisory Cabinet Portfolio:** | Corporate Services and Budgeting (S. Alam) | |
| **2015/16 Budget (£'000 Gross):** | 1,469 | |
| **2015/16 Budget £'000 Income:** | 294 | |
| **2015/16 Budget (£'000 Net):** | 1,175 | |
| **2015/16 Budget FTE:** | 23.2 Legal<br>3.5 Business Support | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Legal Services Business Support Team – introduction of | The Legal Service has presented a shared case management solution to the SY Legal Departments. A | 0 | 9 | 40 | 0 | 0 | 1 | 49 | 1 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | shared case management for SYLAs leading to income generation and pooled business support. | proof of concept is to be developed by RMBC ICT and a pilot project is to be developed with Barnsley MBC. Charges for professional services and economies of scale relating to pooled administration (reduction of 1 x Business Support officer Band C to G) will achieve the savings target without compromising levels of support. (Post saving £31k, income £18k)<br><br>**RAG Status : Amber** | | | | | | | | |
| B | Legal Services - increase income and top slice Supplies and Services budgets | The Service has reviewed current levels of income generation and has identified a number of opportunities to increase income (£104k) from external organisations i.e. Police and Crime Panel support charges, right to buy income and property related professional fees. In addition the Service will explore further top slicing of Supplies and Services budgets with a particular focus on print and post efficiencies (£7k).<br><br>**RAG Status : Amber** | 111 | 0 | 0 | 0 | 0 | 0 | 111 | 0 |
| C | To liaise with Client Departments and introduce staff reductions of 4 FTE (2.5 x Solicitor Band K to L and above and 1.5 x Legal Officer/Paralegal Band E to J) to coincide with a reduction in demand for support.<br><br>A reduction of 4 FTE is equivalent to a 17% reduction | This saving is entirely dependent on Legal Services working closely with Client Departments in order to identify and implement reductions in their demand for support from the Legal Team.<br><br>It also aligns to the anticipated reduction in work due to early intervention measures being introduced within the CYPS Safeguarding Unit and also to allow time for sufficient support to be provided to Adult Social Care to achieve their £10m year 1 savings target. | 0 | 55 | 115 | 0 | 1 | 3 | 170 | 4 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | in staffing. | In order to minimise the impact of losing 4 x FTE it is imperative that savings in Legal Services are aligned to a reduction in demand for support from client Departments otherwise they are not sustainable and will impact on the level of support that can be delivered at a critical time for the Council. In addition the saving will not be achieved if demand for support remains at current levels whereby the savings target would then become a budget pressure in Year 3.<br><br>Also, to take staff savings in year 1 would jeopardise the plans to generate additional income in year 1 and also would compromise the Legal support required of Children's and Adult's Social Care Services.<br><br>**RAG Status : Red** | | | | | | | | |
| | **TOTAL** | | 111 | 64 | 155 | 0 | 1 | 4 | 330 | 5 |

**COMMENTS ON ABOVE PROPOSALS:**
A - RAG Status: Amber - Whilst some interest has been shown in a shared case management arrangement the Legal Business Support saving is entirely dependent on the appetite for sharing across the region. The saving has been offered in year 3 to allow the proof of concept and pilot to be fully implemented and shared administration to be properly developed.

B - RAG Status: Amber – Income generation in Legal Services may be compromised if client departments make savings in those areas of work that Legal Services can treat as fee earning i.e. sales, acquisitions etc. In addition the income target will rely on a buoyant right to buy market and the continuation of the servicing of the Police and Crime Panel. Income generation has been calculated taking into account client decisions where known.

## ASR REF NO: RES-22

## CURRENT SERVICE SUMMARY *(CORPORATE COMPLAINTS TEAM)*

| | | |
|---|---|---|
| **Directorate:** | Resources | The team provides a standardised approach to handling all formal (and numerous informal) complaints made to the council, in line where necessary with statutory requirements - working with service managers to quality assure responses and ensure all statutory procedures are followed and met. A key focus of the team is to also ensure full and proper reviews of complaints so that services can benefit from learning and can support service improvement. The team works directly with customers - via phone, email and home visits - to make sure they are provided the best and most appropriate response to their concerns.<br>In addition to formal complaints made to the council, the team also handle Local Government Ombudsman (LGO) matters; and MP and other "VIP" correspondence with Elected Members, Senior Officers and, now, Commissioners. It also manages service compliments.<br>A further role of the team is to manage the 'eCasework' system that elected members use for ward surgery enquiries, providing support to Members in dealing with constituency matters.<br><br>*Note: £64k of income comes from the HRA, covering 100% of one 1.0FTE (Band I) post, who is dedicated to Housing Service complaints (£41k), and £22k towards the supervisory, admin support, holiday cover and wider team support costs associated with these Housing-related complaints.* |
| **Advisory Cabinet Portfolio:** | Leader | |
| **2015/16 Budget (£'000 Gross):** | £194k | |
| **2015/16 Budget £'000 Income:** | £64k | |
| **2015/16 Budget (£'000 Net):** | £130k | |
| **2015/16 Budget FTE:** | 5.3FTE | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Minor reassessment and uprating of HRA contribution to the team – e.g. to 50% of Team Manager role | **"Amber" RAG Rated** – will depend on wider review of HRA applicability. Detailed discussion not yet taken place.<br><br>£64k of team income (33%) comes from the HRA, covering 100% of one 1.0FTE (Band I) post, who is dedicated to Housing Service complaints, and 46% of the Team Manager post (1.0FTE, Band K), but which reflects the support that the whole team provides to the dedicated housing complaints officer in terms of management supervision, admin support, holiday cover, and wider day-to-day assistance. | 2 | 0 | 0 | - | - | - | 2 | - |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Over 47% of all complaints received by the council last year relate to Housing issues. There may therefore be justification to reassess and uprate the contribution of HRA towards the team's work.<br><br>While there are clearly important sensitivities over the use of HRA, a 4% further increase in contribution on the current basis would equate to £2k of additional income for the team (to £66k, or 34%) reflecting the level of HRA/Housing-related activity it is involved in. | | | | | | | | |
| B | Admin savings from investment in automated IT system to support a more secure and efficient system of chasing and service-led processing/administration of complaints | Subject to developing a Business Case, as yet unexplored – therefore **"Red" RAG rated**.<br><br>Will depend on commitment within services to increase their direct admin/processing roles. Saving level theoretical at this stage, and the focus of potential IT investment is about a more secure and reliable system, rather than to offset staffing/ admin resource – i.e. a new system will still require a minimum level of effective administration. However, it might be reasonably assumed, subject to more detailed analysis, that some small admin resource efficiency saving is possible from the current 1.3FTEs (3x part time posts). There will also be opportunities to explore is more collaborative admin support with wider teams as part of the formation of the new Assistant Chief Executive's directorate.<br><br>Would also require up-front investment in officer time and training to implement the new system, within current resources – hence any assumed savings are not anticipated prior to year 2. | 0 | 4 | 0 | - | 0.2 | - | 4 | 0.20 |
| E | Setting the team a new income target – incentivising a new focus on income generation from the | **"Red" RAG rated** – as this remains at concept stage and the detail of how any charging model would work in practice is yet to be determined.<br><br>The team does, at present, provide services to schools through | 0 | 5 | 25 | - | - | - | 30 | - |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | services the Team currently provide to schools – and to start to initiate potential shared service arrangements with other councils/ organisations. | advocacy and advice on disputes with parents about school places; and has also provided associated training to schools and school governors. There is potential to put this on a more commercial footing, pending further consideration.<br><br>It will be important to see these potential opportunities in conjunction with wider traded service proposals with schools – further discussions are needed on this.<br><br>In addition, on the basis that the current RMBC structure for complaints – i.e. a small, more independent corporate team, rather than officers embedded in service teams - is one that other councils are now looking to implement (including, it's understood, Doncaster), there may be some shared service opportunities to explore and put in place, given the experience of the Rotherham Team in operating on this basis and overall effective performance in benchmark terms with national, regional and peer authorities.<br><br>This is highly speculative, however, at this early stage; and on the basis the team would need to build its commercial credibility to provide such a traded service, the potential saving profile is back-loaded and tapered up towards year 3 – but this profile would need to be reassessed in the light of a detailed business case.<br><br>*Note: an alternative option would be to replace any income target with a cut-back in the size of the corporate team and a review as a result of the council's customer complaints standards – i.e. assessing whether longer timeframes for responses may need to be set.* | | | | | | | | |
| | **TOTAL** | | 2 | 9 | 25 | 0 | 0.2 | 0 | 36 | 0.2 |

**COMMENTS ON ABOVE PROPOSALS:**
The centralised complaint function within the Council was created in 2012, consolidating and reducing the numbers of officers dealing with complaints in service directorates, into a smaller team of 5.3FTEs. The current structure of the team, as a corporate, central resource, is one that a number of other councils are now looking to implement.

The last year has seen an upward trend in the number of complaints received by the council and handled by the team (a 3% increase to 693 from the 672 received in 2013-14). The team also experienced a 17% increase in Councillor Enquiries over the last year, reflecting increased use by elected members of the eCasework system, particularly by new Councillors (44% of Councillors are now using this system, i.e. 28 out of 63); and an 80% increase in MP cases (from 269 to 485).

Finally, it may be important to note that a core function of the team is to stop complaints escalating to more complex (and potentially more costly, e.g. compensation payment) stages. Current performance on this is good – despite an overall increase in complaints in 2014/15, the team worked to help ensure only the same proportion escalated to Stage 2 as the year before. There is a built-in incentive for the team to performance manage complaints so that they are dealt with quickly and to the required standards (at Stage 1) in order to avoid more complex investigations that they would need to lead personally.

**Public Health**

## ASR REF NO: PH-1

## CURRENT SERVICE SUMMARY *Public Health: Sexual Health*

| | | |
|---|---|---|
| **Directorate:** | Public Health | **Brief description of service:** Local Authorities are mandated to ensure the provision of open access sexual health services including Sexually Transmitted Infection (STI) testing and treatment and contraception. The services provide STI testing and treatment, contact tracing, outbreak control and offer a full range of contraception including Long Acting Reversible Contraception (LARC) and Emergency Hormonal Contraception (EHC). The services manage locally based Chlamydia screening as part of the National Chlamydia Screening Program. The services also provide a range of advice and health promotion/education and support to prevent the spread of STIs, unintended pregnancy and Child Sexual Exploitation. As part of the open access mandate, Local Authorities also ensure that residents visiting out of area Genito Urinary Medicine (GUM) clinics are funded as part of the prevention agenda. |
| **Advisory Cabinet Portfolio:** | Public Health | |
| **2015/16 Budget (£'000 Gross):** | 2,964 | |
| **2015/16 Budget £'000 Income:** | | |
| **2015/16 Budget (£'000 Net):** | 2,964 | |
| **2015/16 Budget FTE:** | 1 FTE RMBC plus contracted Service | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Year on year 1.8% efficiency saving applied to the provider of the Integrated Sexual Health Service (TRFT) | NHS Foundation Trusts. Public Health Services 3 Year Planned re -procurement programme 2016 – 2019.<br>Over this period all of our services will be reviewed, re -specified and tendered. In addition the services commissioned from our 2 major NHS partners The Rotherham NHS Foundation Trust (TRFT) and Rotherham, Doncaster and South Humber NHS Foundation Trust (RDASH) will need to deliver cost efficiency savings during the intervening period (i.e. If they are not due for tender until 2018 then they will deliver up to that point, but after that the newly redesigned service model will deliver the efficiencies.<br><br>NHS National cost efficiencies currently stand at 3.5% which is offset by an inflation of 1.9% for some services, and some local schemes to incentivise provider delivery. Therefore TRFT and RDASH will be making between 1.6 and 1.9% savings on the contracts they hold with NHS Commissioners. This model enables larger service | 39 | 38 | 38 | | | | 115 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | providers to plan and manage the savings over a longer period and work with Public health to agree the impact of a programme of efficiency.<br><br>Public Health propose 1.8% on the Alcohol and Drugs services from RDASH and 1.8% on the contracts with TRFT. For TRFT this is focused on the sexual health and children's programme areas, but with negotiation with the provider may be applied across a wider range of services when the full impact is considered.<br>The savings have not been applied to Pharmacy and GP providers at this stage, as new savings models will describe any changes to this area of provision, and that these areas have had no inflationary uplift for over 6 years.<br>**RAG rating: Amber** | | | | | | | | |
| B | Review of out of area GUM payments and local prescribing payments | The review of out of area GUM payments is being carried out across Yorkshire and Humber and will lead to providers being paid no more than the suggested National tariff (rate of payment per episode of care). At present providers are paid on invoice and some charge more than national tariff (which is not mandated) to reflect locally agreed rates. Providers are aware that this is being reviewed across the country. Local Authorities are mandated to ensure the provision of an open access sexual health service free to the end user of the service. This includes ensuring that any of our residents can receive Sexually Transmitted Infection testing and treatment outside of Rotherham. We are reviewing our payments in line with other Local Authorities across the country. This will not impact on the service delivered or the patient experience.<br><br>**RAG rating: Green**<br><br>We are looking in detail at the prescribing costs associated with the Public Health contracts with GPs for LARC and the Intrauterine contraceptive device (IUCD). The IUCD can be fitted for contraceptive purposes (cost attributed to Public Health under the PH contract) or for the treatment of | 20 | | | | | | 20 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | heavy menstrual bleeding (cost attributable to the CCG). It is often difficult to decide which is the primary reason for fitting, as women can have the device fitted for both reasons. We are working with the GPs and the CCG to agree a process for when the CCG is charged and when RMBC is charged.<br><br>We are also specifying that the LARC contract with GPs will cover the Sub-dermal implant only (rather than the full range of LARC). This is due to the evidence which supports this form of LARC being the most effective in reducing unplanned pregnancy. Our contracts with GPs are to enhance their service, over and above what they already offer.<br><br>They will still offer the full range of contraception so that the patient experience will not change – the prescribing charges<br><br>are still to be covered by the CCG and RMBC - but we anticipate this leading to a cost saving for us as the CCG will be covering the costs for other forms of LARC. | | | | | | | | |
| C | Consolidation of contracts for HIV prevention/support | Bringing the contracts for HIV prevention/support from Supporting People and Public Health together means that we can identify an efficiency saving with a new provider. Service delivery is not affected in terms of activity but it has moved from a model of 'support' to one that empowers people so the overall client experience will be more beneficial.<br><br>**RAG rating: Green** | 24 | | | | | | 24 | |
| D | Theatre & Health Education Support – Contract | Reduction in the budget is possible as the drama intervention for schools will be paid for in full from the 15/16 Public Health budget. Schools are being offered the Theatre in Education performances and workshops over a | 26 | 0 | | | | | 26 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | Renegotiation | three year period. There will also be some performances directly aimed at looked after children and their carers. Public Health have agreed to finance this initiative which is being commissioned by the School Effectiveness Team in C&YPS. We are making the full amount available to the team in 15/16 and as this is a time limited intervention we are able to make a cost saving in the following year.<br><br>**RAG rating: Green** | | | | | | | | |
| | **TOTAL** | | 109 | 38 | 38 | 0 | 0 | 0 | 185 | 0 |

**COMMENTS ON ABOVE PROPOSALS:** The 1.8% efficiency savings are RAG rates Amber as the full impact, including loss of front line staffing cannot be established until Public Health have dialogue with TRFT

## ASR REF NO: PH-2

## CURRENT SERVICE SUMMARY *Public Health: Drugs and Alcohol*

| | | |
|---|---|---|
| **Directorate:** | Public Health (Substance Misuse) | **Brief description of service:** Integrated health and social care system to provide services for drug and/or alcohol users (including use of all illegal drugs, prescribed drugs, New Psychoactive Substances 'legal Highs') to any adult or young person who normally resides in Rotherham. |
| **Advisory Cabinet Portfolio:** | Public Health | |
| **2015/16 Budget (£'000 Gross):** | 4,829 | |
| **2015/16 Budget £'000 Income:** | 154 PCC for Drugs Intervention Programme | |
| **2015/16 Budget (£'000 Net):** | 4,675 | |
| **2015/16 Budget FTE:** | | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Retender Floating Housing Support Service which provides support to substance users in tenancy agreements. | To be retendered to allow for efficiency savings in the new contract which will be aligned with the Public Health Outcomes Framework.<br><br>The opening of the new Substance Misuse Recovery Hub 'Carnson House' will enable any future provision to be closely linked to other key partner support agencies, thus reducing the contract numbers and cost of any future provision. There will be a requirement to work closely with partner support agencies to deal with low risk clients, allowing for the service to address the needs of the medium/high risk clients<br><br>There will be additional housing issues for the floating support service due to the introduction of the Universal Credit being rolled out in Rotherham later this year which will need to be taken account of.<br><br>**RAG status - Amber** | 40 | 0 | 0 | | | | 40 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | 1.8% Efficiency Savings on RDaSH Alcohol & Drugs Contract | NHS Foundation Trusts. Public Health Services 3 year planned re -procurement programme 2016 – 2019.<br>Over this period all of our services will be reviewed, re - specified and tendered. In addition the services commissioned from our 2 major NHS partners TRFT and RDaSH will need to deliver cost efficiency savings during the intervening period i.e. if they are not due for tender until 2018 then they will deliver up to that point, but after that the newly redesigned service model will deliver the efficiencies. NHS National cost efficiencies currently stand at 3.5% which is offset by an inflation of 1.9% for some services, and some local schemes to incentivise provider delivery. Therefore TRFT and RDaSH will be making between 1.6 and 1.9% savings on the contracts they hold with NHS Commissioners. This model enables larger service providers to plan and manage the savings over a longer period and work with Public health to agree the impact of a programme of efficiency.<br><br>Public Health propose 1.8% on the Alcohol and Drugs services from RDaSH. The savings have not been applied to Pharmacy and GP providers at this stage, as new savings models will describe any changes to this area of provision, and that these areas have had no inflationary uplift for over 6 years.<br><br>**RAG status - Amber** | 48 | 47 | 46 | | | | 141 | |
| | **TOTAL** | | 88 | 47 | 46 | 0 | 0 | 0 | 181 | 0 |

**COMMENTS ON ABOVE PROPOSALS:** The 1.8% efficiency savings are RAG rates Amber as the full impact, including loss of front line staffing cannot be established until Public Health have dialogue with RDaSH

**ASR REF NO: PH-4**

## CURRENT SERVICE SUMMARY Public Health *Obesity/Weight Management*

| | |
|---|---|
| **Directorate:** | Public Health |
| **Advisory Cabinet Portfolio:** | Public Health Adults & Children |
| **2015/16 Budget (£'000 Gross):** | £1,089 |
| **2015/16 Budget £'000 Income:** | £0 |
| **2015/16 Budget (£'000 Net):** | £1,089 |
| **2015/16 Budget FTE:** | |

**Brief description of service:**

Obesity programme. Comprises commissioned services:

- The Rotherham Healthy Weight Framework (HWF) is a tiered approach to weight management which supports adults and children to reduce and maintain their weight. People attend the tier of the service which is most suitable for their weight and height. The 6 services include: Tiers 2-4 children weight management, Tiers 2-3 adult weight management and a single point of access (telephone line to refer people to the correct service based on need). This is not included in the proposed savings detailed below.
- The Rotherham Ministry of Food is a partnership project which teaches cookery skills with a focus on healthy family meals. This is not included in the proposed savings detailed below.
- The community dietetics service is delivered by the dietetics department at Rotherham Foundation Trust. The service provides community based dietetic support to children in special schools, service users of children and adolescent mental health services (CAMHS) and to housebound clients who have special dietary needs. The service also provides a programme of 6 accredited training courses to develop food and diet skills for staff employed in Rotherham and the general public.

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Service review of community dietetics with a view to decommissioning service or to reduce and re-specify the existing contract | The service was inherited by RMBC as part of the transfer of Public Health from the Rotherham Primary Care Trust. A service review is required to understand the potential impact of a reduced or decommissioned service. The most likely impact will be on the community support offered to: children in special schools, service users of child and adolescent mental health services and housebound clients with special dietary needs. The service review would establish the impact of the reduced support on these populations. A reduction or decommissioned package of training, would impact on the numbers of front line professionals working in Rotherham, who can attend an accredited training course | | 70 | | | | | 70 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | to develop their skills and knowledge on food and diet.<br>It may be possible for primary care activity (e.g. support to special schools and housebound clients) to be covered through other contracted activity– this would be a focus of the proposed review.<br>The review would also seek to establish how a reduced offer of training for front line professionals will affect the delivery of the healthy weight framework care pathway.<br><br>**RAG status: Amber** | | | | | | | | |
| | **TOTAL** | | 0 | 70 | 0 | 0 | 0 | 0 | 70 | 0 |

## ASR REF NO: PH-5

## CURRENT SERVICE SUMMARY *Public Health Child Health Programme*

| | |
|---|---|
| **Directorate:** | Public Health |
| **Advisory Cabinet Portfolio:** | Public Health Children's |
| **2015/16 Budget (£'000 Gross):** | £4,227 |
| **2015/16 Budget £'000 Income:** | nil |
| **2015/16 Budget (£'000 Net):** | £4,227 |
| **2015/16 Budget FTE:** | Contracted Service |

**Brief description of service:**
The 0-19 Child Health programme area includes the 0-5 Child Health Programme (Health Visiting and Family Nurse Partnership) and School Nursing Service. The 0-5 Child Health programme is currently commissioned by NHS England and will transfer to RMBC with effect from 1 October 2015.
Some elements of this programme area are mandatory for local authorities to provide (the health visiting services for all 0-5 year olds and the National Child Measurement Programme (NCMP), which weighs and measures all children in Reception and Year 6 annually to assess levels of childhood obesity). The Family Nurse Partnership (FNP) programme is an intensive home visiting service for vulnerable pregnant teenagers; the programme follows the mother and baby for 2 years. The School Nursing Service provides a range of services to children and young people aged 5-19 years attending a Rotherham school including health reviews on school entry, health improvement advice and support, delivering the NCMP, annual health reviews for looked after children and child safeguarding.

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Budget reduction for School Nursing Service reflecting equivalent funding for provision of immunisations now provided by NHS England | The funding for the delivery of immunisations and vaccinations by the school nursing service, previously provided by RMBC, is now being provided by NHS England. Therefore there should be no impact of reducing the RMBC budget by the equivalent amount as the service still receives this funding, just from a different source<br><br>**RAG status: Green** | 176 | | | | | | 176 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| B | 1.8% reduction to 0-19 budget applied over each of the next three years | NHS Foundation Trusts. Public Health Services 3 year planned re -procurement programme 2016 – 2019.<br>Over this period all of our services will be reviewed, re - specified and tendered. In addition the services commissioned from our 2 major NHS partners TRFT and RDASH will need to deliver cost efficiency savings during the intervening period (i.e. If they are not due for tender until 2018 then they will deliver up to that point, but after that the newly redesigned service model will deliver the efficiencies).<br>NHS National cost efficiencies currently stand at 3.5% which is offset by an inflation of 1.9% for some services, and some local schemes to incentivise provider delivery. Therefore TRFT and RDASH will be making between 1.6 and 1.9% savings on the contracts they hold with NHS Commissioners. This model enables larger service providers to plan and manage the savings over a longer period and work with Public health to agree the impact of a programme of efficiency.<br><br>Public Health proposes 1.8% on the Alcohol and Drugs services from RDASH and 1.8% on the contracts with TRFT. For TRFT this is focused on the sexual health and children's programme areas, but with negotiation with the provider may be applied across a wider range of services when the full impact is considered.<br>**RAG status: Amber** | 104 | 102 | 100 | | | | 306 | |
| | **TOTAL** | | **280** | **102** | **100** | **0** | **0** | **0** | **482** | **0** |

**COMMENTS ON ABOVE PROPOSALS:** The 1.8% efficiency savings are RAG rates Amber as the full impact, including loss of front line staffing cannot be established until Public Health have dialogue with TRFT

## ASR REF NO: PH-9

## CURRENT SERVICE SUMMARY *Public Health Tobacco Control*

| | |
|---|---|
| **Directorate:** | Public Health |
| **Advisory Cabinet Portfolio:** | Public Health |
| **2015/16 Budget (£'000 Gross):** | £1,142 |
| **2015/16 Budget £'000 Income:** | £268 |
| **2015/16 Budget (£'000 Net):** | £874 |
| **2015/16 Budget FTE:** | 1 FTE RMBC plus contracted service |

**Brief description of service:**

Tobacco control programme. Comprises commissioned services:

- Yorkshire Smokefree (stop smoking service for Doncaster and Rotherham boroughs. Provider: South West Yorkshire Partnership NHS Foundation Trust). Provides face-to-face, telephone and online behavioural support and medications for people who want to stop smoking.
- Stop Smoking in Pregnancy Service. (Provider: Rotherham NHS Foundation Trust). Provides behavioural support and medications for pregnant women, their partners and family members, who want to stop smoking.
- Communications and Social Marketing Service for tobacco control (covers Rotherham, Doncaster and Sheffield authorities. Provider: Kenyon Fraser). Carries out customer insight and delivers social marketing campaigns in response to this intelligence, focused upon reducing tobacco use.
- Activity to prevent young people starting smoking (Provider: RMBC Integrated Youth Support Service). Curriculum activity around tobacco issues, survey of young people's smoking behaviour, supporting young people to access stop smoking support.
- Enhanced enforcement of cheap and illicit tobacco and underage sales (Provider: RMBC Trading Standards). Test purchasing, enforcement action and education around tobacco issues including changes in legislation.

All services operate across the whole borough, therefore savings would have an impact Rotherham-wide.

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | 1.8% reduction to all tobacco control service contract values applied over each of the next three years | NHS National cost efficiencies currently stand at 3.5% which is offset by an inflation of 1.9% for some services, and some local schemes to incentivise provider delivery. Therefore TRFT and RDASH will be making between 1.6 and 1.9% savings on the contracts they hold with NHS Commissioners. This model enables larger service providers to plan and manage the savings over a longer period and work with Public health to agree the impact of | 16 | 16 | 15 | | | | 47 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | a programme of efficiency.<br><br>Public Health proposes 1.8% reduction on all tobacco control services over each of the next three years.<br><br>Potential reduced capacity within stop smoking services to support people wanting to quit. This is most likely to impact on the smoking in pregnancy service as it is a smaller service with less flexibility around service provision than in the Yorkshire Smokefree service. It would be easier for Yorkshire Smokefree to make efficiencies due to the different support options they provide (e.g. altering the balance between face-to-face support and telephone support).<br><br>Other services do not provide direct client support, so the efficiencies required to meet the proposed cost saving should be relatively easy to realise.<br><br>**RAG status: Amber** | | | | | | | | |
| | **TOTAL** | | 16 | 16 | 15 | | | | 47 | |

# ASR REF NO: PH- 13

## CURRENT SERVICE SUMMARY *Public Health Directorate*

| | | |
|---|---|---|
| **Directorate:** | Public Health | **Brief description of service:**<br><br>The Public Health team provides specialist advice and support and has a role in influencing spend of NHS and RMBC to improve health and reduce health inequalities. The team provides support to NHS Commissioners (Rotherham CCG and NHS England) through a Memorandum of Understanding. We are responsible for the commissioning and delivery of the mandated functions (including specified services), and for demonstration of the outcomes from the Public Health Outcomes Framework (PHOF). There are four teams who work under the 3 "pillars" of public health (the core functions defined by the Faculty of Public Health, which is the regulatory body for the PH workforce), Healthcare Public Health, Health Protection, Health Improvement. In addition, we have a team leading Drug and Alcohol Strategy and NHS Contracting (Primary Care and Acute Services). Our full team functions include professional advice, strategic leadership and development of strategies to address health inequalities, contracting, commissioning, policy/performance analysis, public health data analysis, research governance, partnership working, and payment of NHS contractors. |
| **Advisory Cabinet Portfolio:** | Cllr Roche | |
| **2015/16 Budget (£'000 Gross):** | 881 | |
| **2015/16 Budget £'000 Income:** | 0 | |
| **2015/16 Budget (£'000 Net):** | 881 | |
| **2015/16 Budget FTE:** | 16.1 The remaining 13 FTE are within the ASRs that link with the programme leads. | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Savings from revised salary for the Director of Public Health | Reduction in staff costs due to the recruitment of a Director of Public Health on a lower salary and RMBC Terms and Conditions, no expected impact on public health priorities. | 62 | 21 | 0 | 0 | 0 | 0 | 83 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | **RAG Status: Green** | | | | | | | | |
| B | As above plus a further savings from the delayed recruitment and changes to the Consultant in Public Health post in Healthcare Public Health. | Reduction in staff costs due to the planned recruitment of a Consultant in Public Health on a lower salary and RMBC Terms and Conditions, no expected impact on public health priorities.<br><br>**RAG Status: Green** | | | | | | | | |
| | **TOTAL** | | 62 | 21 | 0 | 0 | 0 | 0 | 83 | 0 |

## ASR REF NO: NAS 11

## CURRENT SERVICE SUMMARY - Neighbourhood Partnership & Engagement Service

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:** |
| **Advisory Cabinet Portfolio:** | Neighbourhood working and Cultural Services (T. Yasseen) | Because of the complexity of the charging arrangements for this service the figures presented on the left hand side of this page do not include direct charges to the Housing Revenue Account (HRA). When such direct charges are included the financial position is as follows: |
| **2015/16 Budget (£'000 Gross):** | £581 | Gross Expenditure £1,169,526 |
| **2015/16 Budget £'000 Income:** | £244 | Income (HRA) (£787,234) |
| **2015/16 Budget (£'000 Net):** | £337 | Net £382,292 |
| **2015/16 Budget FTE:** | 21 FTE: | Consequently the funding apportionment for this service is 67% HRA, 33% RMBC General Fund (GF).<br><br>Included in these figures is:<br>• 66K Members Community Leadership fund (46k GF/20k HRA)<br>• 30k tendered Voluntary Sector Advice Services.<br><br>The service was established in January 2015 following a review and the newly formed Neighbourhood Partnerships and Engagement Service, it delivers a number of interlinked objectives:<br><br>(1) To Improve tenant & resident engagement as a key part of our "Local Offer" to tenants and residents living on council estates;<br><br>(2) To lead on community development to enable communities to become more resilient and help themselves;<br><br>(3) To coordinate and lead on neighbourhood working arrangements (including Area Assemblies) resulting in active ward councillors working within neighbourhoods (Commissioners Vision Statement and Article 12 RMBC Constitution); |

| | | |
|---|---|---|
| | | (4) To work with directorates and partners to tackle the "crime and grime" agenda especially in Rotherham's most Deprived Neighbourhoods;<br><br>(5) Parish Council liaison and development;<br><br>(6) Management and Administration of Members Community Leadership Fund; and<br><br>(7) Community liaison and engagement response to ongoing issues arising from Jay and Casey reports and recommendations, continuing protests, and support for communities of interest (women, BME, faith and inter-faith, disability, older people, LGBT, CSE community reference group, safeguarding strategy meetings).<br><br>It should be noted that work area (7) is not specifically the responsibility of neighbourhoods and housing services but has required action at the request of SLT, Advisory Cabinet, and Commissioners due to its importance, and the absence of any other resource within the authority to action. |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| F | Housing & Neighbourhood Service wide saving<br><br>(i) Apportioned saving Assistant Director between GF/HRA split<br><br>(ii) Supplies and Services cut in HNS Man & Admin | IMPACT<br><br>1. Realigns true apportionment cost of Assistant Director (housing) to HRA and reduction in HNS Man & Admin supplies and services<br><br>2. No adverse impact.<br><br>**RAG Status: Green** | 8 | | | | | | 8 | |
| | **TOTAL** | | 8 | 0 | 0 | 0 | 0 | 0 | 8 | 0 |

## ASR REF NO: NAS-12

## CURRENT SERVICE SUMMARY - *Rotherham Furniture Solutions*

| | | |
|---|---|---|
| **Directorate:** | EDS | **Brief description of service:** Rotherham Furniture Solutions (RFS) operates the Furnished Homes Scheme; it is part of the Housing Options Service within Housing and Neighbourhoods Service. The scheme was set up in May 2004. The objective of the scheme is to offer council tenants assistance to set up and sustain their home by offering a personalised furniture service. This service oversees the provision and management of furnished homes to 3,318 council tenancies. On average there are 6 new furnished tenancies per week after terminations. |
| **Advisory Cabinet Portfolio:** | Neighbourhood working and Cultural Services (T. Yasseen) | |
| **2015/16 Budget (£'000 Gross):** | 735,820 | |
| **2015/16 Budget £'000 Income:** | 3,435,820 | |
| **2015/16 Budget (£'000 Net):** | -2,700,000 | |
| **2015/16 Budget FTE:** | 15.85 | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Additional income generation by the Furnished Homes Scheme of £100k per annum for the period 2016-17 to 2018-19.<br><br>This would be generated through continued expansion of the scheme. It also assumes reduction in service charge of 3% over the period following change in Social Rent Policy. | **Impact** – The scheme will continue to assist vulnerable tenants set up and sustain tenancies so reducing the cost of tenancy turnover to the HRA.<br><br>**RAG STATUS =AMBER** | 100 | 100 | 100 | 0 | 0 | 0 | 300 | 0 |
| E | HNS wide saving (i) apportioned saving Assistant Director between GF/HRA split | (i) The Central General fund management apportionment savings will be achieved by changing the funding apportionment for Director of Housing, Asset Management and Neighbourhoods from 70% HRA/ 30% GF to 90% HRA/ 10% GF. This change in apportionment is justifiable given the re-focusing of this post to primarily housing in the senior management restructure.<br>(ii) Reduction in HNS Management and Admin supplied and services | 19 | 0 | 0 | 0 | 0 | 0 | 19 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | (ii) Supplies and services cut in HNS management and Admin | (19k)<br><br>RAG status: **Green** | | | | | | | | |
| | **TOTAL** | | 119 | 100 | 100 | 0 | 0 | 0 | 319 | 0 |

**COMMENTS ON THE ABOVE PROPOSALS:**

The original Furnished Homes business plan proposed a reduction in turnover of 50% over the three year period due to introduction of Universal Credit. We now do not expect the majority of current claimants to have migrated to UC until around 2018, hence the increase in forecast income and subsequent additional surpluses the service will generate.

There are a number of risks facing the service going forward which are outlined below and justify the amber rating for the suggested increased income forecasts over the three year period.

- Welfare Reform and Universal Credit - risk of increasing arrears, which will result in higher bad debt provisions and reduction in annual surplus. There is also a risk that that regulations change and the furnished element of a tenancy is no longer benefitable.
- Possible changes to housing benefit entitlement for under 25s – may constrain growth of the scheme (fewer tenants taking up furnished home packages).
- Reduction in furnished homes charges by 1% per year for 4 years. This reduction is manageable and the scheme will still be in surplus even when these reduction to income are forecast.
- Re-tender of furniture supplier to the scheme is due to take place in October 2015. This may result in higher furniture costs and reduction in surpluses generated, a cost increase of 10% has been factored into this forecast.

## ASR REF NO: NAS-13

## CURRENT SERVICE SUMMARY – STRATEGIC HOUSING AND INVESTMENT SERVICE

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of service:**<br>The Strategic Housing and Investment Service is led by Tom Bell, Strategic Housing and Investment Manager and comprises three key service areas:<br>• Strategic Housing (a significant proportion is funded by HRA) - this part of the service is responsible for both public and private sector housing strategy and policy development, leasehold services and co-ordinating the Council's responsibilities around the Right to Buy.<br>• Housing Development (a significant proportion is funded by HRA) - a new team established to deliver housing growth (current delivery of new homes is circa 550 per year, our ambition is to deliver 1,000) affordable and specialist housing provision including new Council housing.<br>• Council Housing Asset Management and Stock Investment (entirely funded by HRA so not part of this review) - responsible for stock investment decisions on our 21,000 Council homes, maintaining landlord compliance for asbestos, fire and legionella, stock surveying, maintaining the stock data base and developing planned work programmes e.g. re-roofing projects..<br>Overall, the service is reliant on the HRA for the majority of its funding ( £1.36m), so for every £1 expenditure of General Fund the Service spends £7 of Housing Revenue Account funding. |
| **Advisory Cabinet Portfolio:** | Neighbourhood working and Cultural Services (T. Yasseen) | |
| **2015/16 Budget (£'000 Gross):** | £195,523 | |
| **2015/16 Budget £'000 Income:** | £57,200 | |
| **2015/16 Budget (£'000 Net):** | £138,323 | |
| **2015/16 Budget FTE:** | There are 36 FTE staff in the team, of which, 20 are entirely funded by Housing Revenue Account (HRA) funding, 15 posts are mixed funding General and HRA and 1 post is entirely funded by the general fund. The officer resources are split as follows:<br>Manager x 1 FTE<br>Strategic Housing Team 8.5 FTE<br>Housing Development 6.5 FTE<br>Council Housing Asset Management and Stock Investment Team 20FTE | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Team Manager current salary split GF to HRA is 50/50. A new ratio can be justified at 20GF/80HRA which will result in a saving to the General Fund | The proposed change in ratio will proportionally increase Housing Revenue Account expenditure by £18,814 and have no other impact<br><br>**RAG Status:** Green | 18 | 0 | 0 | N/A | N/A | N/A | 18 | |
| B | Housing Development Manager Current split is 50/50. A new ratio can be justified at 20GF/80 HRA which will result in a saving | This post will play a significant role in the development of the 150 identified HRA development sites. The proposed change in ratio will proportionally increase Housing Revenue Account expenditure by £15,266 and have no other impact | 15 | 0 | 0 | N/A | N/A | N/A | 15 | |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | to the General Fund<br><br>**RAG Status: Green** | | | | | | | | | |
| C | Housing Enabling Officer current split is 50/50 and new ratio can be justified at 20GF/80HRA which will result in a saving to the General Fund<br><br>**RAG Status: Green** | This post is taking on an increasing role in the developmental proposals for HRA sites. The proposed change in ratio will proportionally increase Housing Revenue Account expenditure by £9,229 and have no other impact | 9 | 0 | 0 | N/A | N/A | N/A | 9 | |
| D | Private Sector Housing Officer currently the post is 100% funded by the General Fund. A new ratio of 80/20 can be justified<br><br>**RAG Status: Green** | This post primarily involves private sector activity, however the role also encompasses, elements of work on HRA disposals and affordable warmth programmes which benefit Social Housing tenants and the coordination of the empty homes policy implementation, hence the proposed apportionment is justified. The proposed change in ratio will proportionally increase Housing Revenue Account expenditure by £9,005 and have no other impact | 9 | 0 | 0 | N/A | N/A | N/A | 9 | |
| F | Housing and Neighbourhood Service wide saving (i) apportioned saving Assistant Director between GF/HRA split (ii) Supplies and services cut in HNS management and Admin<br><br>**RAG status: Green** | The Central General fund management apportionment savings will be achieved by changing the funding apportionment for Director of Housing, Asset Management and Neighbourhoods from 70% HRA/ 30% GF to 90% HRA/ 10% GF. This change in apportionment is justifiable given the re-focusing of this post to primarily housing in the senior management restructure.<br><br>The balance of savings will be generated by general reductions in management and administration expenditure. | 3 | 0 | 0 | N/A | N/A | N/A | 3 | |
| | **TOTAL** | | **54** | **0** | **0** | **0** | **0** | **0** | **54** | **0** |

## ASR REF NO: NAS-14

## CURRENT SERVICE SUMMARY *Safer Neighbourhoods (Community Protection)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbourhoods | **Brief description of the service:** |
| **Advisory Cabinet Portfolio:** | • Cllr Sims; Waste, Roads and Enforcement<br>  • Neighbourhood working and Cultural Services (T. Yasseen) | The Safer Neighbourhoods Service is involved in the inspection, enforcement, regulation and prosecution of a range of mandatory community protection functions including:<br>• private sector housing standards,<br>• environmental protection regulation and enforcement,<br>• noise and pollution control, statutory nuisance, anti-social behaviour (ASB), and enviro-crime enforcement.<br>• air quality, closed landfill and contaminated land |
| **2015/16 Budget (£'000 Gross):** | £1,938,859 * (including the apportionment of departmental overheads) | |
| **2015/16 Budget £'000 Income:** | £ 682,899<br><br>(Housing Revenue Account (HRA) (see Comment section), Fees, and Public Health Grant) | The service operates Borough wide, receiving circa 9,000 service requests per year and the team works closely with South Yorkshire Police (SYP)'s local Safer Neighbourhood Teams. There is prioritisation of resources to the most deprived neighbourhoods to protect home and local environmental quality standards impacting on the health and safety of individuals and the community. |
| **2015/16 Budget (£'000 Net):** | £1,255,960 | |
| **2015/16 Budget FTE:** | 48.8 FTE (almost all of which are part funded General Fund (GF)/HRA | ** Budget figures include an apportionment of the Housing and Neighbourhood Service's Management & Administration cost centre (£91,828)* |

## SAVINGS PROPOSALS:

| Ref: | Action | Impact Statement of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| H | Housing & Neighbourhood Services (HNS) overarching departmental level management and supplies & services saving | The proposal:<br>• Realigns the true apportionment cost of Assistant Director (Housing) to the HRA (£9k). This will result in the Assistant Director's funding apportionment changing from 70% to 90% HRA with the residual 10% being borne by the GF. This change in apportionment is justifiable given the re-focusing of this post to primarily housing in the "Laying the Foundation Plan.<br>• Reduces the HNS Management and Administration supplies and services budget (£17k)<br>**RAG Status: Green** | 26 | 0 | 0 | 0 | 0 | 0 | 26 | 0 |
| | **TOTAL** | | 26 | 0 | 0 | 0 | 0 | 0 | 26 | 0 |

## ASR REF NO: NAS-15

## CURRENT SERVICE SUMMARY *(ASB and Community Safety Unit)*

| | | |
|---|---|---|
| **Directorate:** | EDS & Neighbour hoods | **Brief description of service:**<br><br>**1.** Coordination of Safer Rotherham Partnership activity and related community safety initiatives, including administration of funding streams such as the PCC Community Safety Fund allocation;<br>**2.** Anti-Social Behaviour case investigation and management, including operational links to Council tenancy enforcement and legal action, including Court attendance and eviction<br>**3.** Staffing contribution and operational links to the Vulnerable Persons Unit.<br>**4.** The budget also includes a range of other ad hoc costs such as communal cleaning and lighting costs to council housing properties |
| **Advisory Cabinet Portfolio:** | Waste, Roads and Enforcement (Cllr Sims)<br><br>Neighbourhood working and Cultural Services (T. Yasseen) | |
| **2015/16 Budget (£'000 Gross):** | £500, 365 (plus £20,452 apportioned) | |
| **2015/16 Budget £'000 Income:** | £332,517 HRA Contribution | |
| **2015/16 Budget (£'000 Net):** | £167,848<br><br>(plus £20,452 apportioned ) | |
| **2015/16 Budget FTE:** | 9.1 FTE comprising of 1 Band L Neighbourhood Crime and ASB Manager,<br><br>1x Band J Community Engagement Officer (Vulnerable Persons Unit)<br><br>5 x Band H ASB Officers<br><br>2.1 Admin support to Safer Rotherham Partnership and ASB Unit | |

## SAVINGS PROPOSALS:

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| A | HRA to meet full cost of communal services from 2016/17 | The full cost associated with the management of communal areas in Council (incl Right To Buy/leasehold occupiers) apartment blocks, to be fully met by the HRA from 2016/17. Currently there is a contribution from the General Fund reflecting the leaseholder residents in some apartment blocks. Impact to the HRA £35k. See HRA related comments below. This proposal will not impact on service delivery, as it is a financing adjustment. There are no staffing related issues.<br><br>**RAG Status: Green** | 35 | 0 | 0 | 0 | 0 | 0 | 35 | 0 |
| D | Cancellation of the MESH Mediation Service Contract. | The current MESH Mediation Service contract is renewed annually and is funded roughly 50/50 between the Housing Revenue Account (HRA) and the General Fund. The service operates on a referral basis and provides an opportunity for independently delivered mediation between parties to a dispute, as part of case management and resolution processes. The HRA contribution is £9,447. It is considered that greater value for money could be obtained by reinvesting a large proportion of this budget into the Community Justice Panel (CJP), which will deal with case referrals similar to MESH referrals. The £2k saving referred to presents the residual saving, once the Community Justice Panel funding has been accounted for. The cancellation of the contract will require 6 months formal notice.<br><br>**RAG Status: Green** | 2 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| E | HNS wide saving (i) apportioned saving Assistant Director between GF/HRA split<br><br>(ii) Supplies and services cut in HNS management and Admin | Re-aligns apportionment cost of Asst Director (Housing) from 70% HRA/ 30% GF to 90% HRA/ 30% GF.<br><br>Reduction in HNS Management and Admin supplied and services<br><br>**RAG status: Green** | 6 | 0 | 0 | 0 | 0 | 0 | 6 | 0 |
| | **TOTAL** | | 43 | 0 | 0 | 0 | 0 | 0 | 43 | 0 |

## Adult Social Services

## *ADULT SOCIAL CARE DEVELOPMENT PROGRAMME*

| | | |
|---|---|---|
| **Directorate:** | Adult Social Care | **Brief description of service:**<br><br>Adult Social Care provides care, support and safeguards for those people in our community who have the highest level of need and for their carers. Good care and support transforms lives, it enhances health and well-being, increases independence and offers choice and control. Adult Social care in Rotherham covers all care and support services for 18yrs and above across all service user groups i.e. Older people, Mental Health, Learning Disability and Physical and Sensory Disability. Services provided include:<br><br>• Advocacy, information and advice<br>• Social Work<br>• Safeguarding including Mental Capacity, Deprivation of Liberty Safeguards, contract compliance, Domestic Abuse.<br>• In House Enablement services including Intermediate Care<br>• In-House Residential Care and Respite Care<br>• In-House Day Care<br>• Extra Care Housing<br>• Commissioned services with the Independent Sector including Domiciliary care, Residential, Nursing, Respite care and Supported Living. |
| **Advisory Cabinet Portfolio:** | Cllr Roche | |
| **2015/16 Budget (£'000 Gross):** | 105,561 | |
| **2015/16 Budget £'000 Income:** | -36,155 | |
| **2015/16 Budget (£'000 Net):** | 69,406 | |
| **2015/16 Budget FTE:** | 806 | |

## SAVINGS GENERATED BY SERVICE DEVELOPMENT PROGRAMME:

| **Ref:** | **Action** | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | **16/17 £'000** | **17/18 £'000** | **18/19 £'000** | **16/17 FTE** | **17/18 FTE** | **18/19 FTE** | **TOTAL £'000** | **TOTAL FTE** |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Focused Enablement Service | Review existing in house provision and re-commission some or all of the service. Advice given is that TUPE would not apply therefore potential for up to 147 staff redundancies.<br><br>Enabling is critical to reducing residential placements and large care packages and therefore has a positive impact on customers and these proposals will enhance the service while reducing costs through the | 500 | 500 | 0 | 92.1 | 0 | 0 | 1,000 | 92.1 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | | reduction of "down time".<br><br>45 days consultation with staff is required and 3 months to re-tender service.<br><br>Dependent on successful negotiations with staff and independent providers.<br><br>**RAG Status – Amber** consultation exercise underway and commissioning specification being developed. | | | | | | | | |
| B | Develop alternative provision for In-house Learning Disability residential care and respite care | Consultation is required as a proposal will be made to develop alternatives with better outcomes, including the expansion of shared lives and supported living schemes. Users will be reassessed to ensure their needs are met appropriately.<br><br>**RAG status- Amber** due to consultation period and when key decision is made. | 245 | 0 | 0 | 22 | 20 | 0 | 245 | 42.0 |
| C | Review all high cost Learning Disabilities residential care placements | Review all high cost (including out of borough) residential care placements and re-negotiate fees with providers in line with regional average.<br><br>**RAG status- Amber** | 540 | 180 | 0 | 0 | 0 | 0 | 720 | 0 |
| D | Develop alternative community based services to Day Care | The proposal is to develop alternatives with better outcomes, including greater use of direct payments. Alternatives are dependent on the parallel development of community assets. Full year savings not achieved in year 1 | 251 | 84 | 0 | 31.3 | 0 | 0 | 335 | 31.3 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | for Older People. | due to need to review users' needs.<br><br>**RAG status- Amber** | | | | | | | | |
| E | Increase capacity in local communities – review of all Supporting people contracts for the provision of housing related support) | Contracts with providers are awarded on a three year basis, including in-house provision and voluntary and community sector. Contracts have been awarded and therefore advice from legal is required as to how the to achieve savings in 2016/17. Impacts on decision on major projects i.e. Rothercare.<br><br>**RAG Status – Amber** savings profiled over 3 years in line with contracts | 720 | 940 | 642 | 0 | 0 | 0 | 2,302 | 0 |
| F | Review Adult Services Management and reduce by two posts. Reduce Adults Training budget by 15% and review Assessment and Care<br><br>Management teams. | No customer impact. Phase 1 – review of Adult Social Care management structures. Reduce Adults training budget by 15%. Phase 2 - requires a re-structure of assessment and care management once Phase 1 is completed.<br><br>**RAG Status - Green** | 535 | 300 | 0 | 17 | 0 | 0 | 835 | 17.0 |
| G | Review in-house day care for Learning | Review existing in-house day centres and develop alternative forms of care including direct payments and investment in community assets/support to achieve better outcomes. This will also include a review of the provision of | 254 | 957 | 182 | 18 | 67 | 14 | 1393 | 99 |

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| | Disabilities | transport. Extensive consultation required with service users and carers, further investment required in community assets, staff redeployment/redundancies, potential disposal of land and buildings and reduced transport fleet. Delivery of savings will depend on timing of key decisions.<br><br>**RAG status- Amber** due to consultation period and dependent on when key decision is made. | | | | | | | | |
| H | Review provision of in-house residential and intermediate care for Older People | Review existing in-house provision and develop alternative models of care with the independent/voluntary sector. Impact of national living wage on the cost of re-provision, capacity of the local care market to accommodate additional demand. Potential staff redeployment/redundancies, partnership working with Health, additional capital investment may be required.<br><br>**RAG status- Amber** dependent on when key decision is made. | 250 | 870 | 1230 | 61.4 | 63 | 23.2 | 2,350 | 147.6 |
| | **TOTAL** | | **3,295** | **3,831** | **2,054** | **241.8** | **150** | **37.2** | **9,180** | **429** |

**COMMENTS ON ABOVE:**

| Ref: | Action | **Impact Statement** of proposals on Corporate priorities/Outcomes, Staff, Customers, Partners, Other Directorates/Services, Assets, initial equalities assessment, consultation requirements etc. | 16/17 £'000 | 17/18 £'000 | 18/19 £'000 | 16/17 FTE | 17/18 FTE | 18/19 FTE | TOTAL £'000 | TOTAL FTE |
|---|---|---|---|---|---|---|---|---|---|---|
| Proposal H – 2018/19 savings figure includes £420k anticipated to be realised in 2019/20.<br><br>Please note RAG status based on whether anticipated full year savings could be achieved in 2016/17 pending key decisions being made. | | | | | | | | | | |

**APPENDIX 2**

**2016/17 – 2018/19 Budget: Investment to address Budget Pressures and Provide Growth: Overview by Directorate**

| Directorate / Service | 2016/17 | 2017/18 | 2018/19 |
|---|---|---|---|
| | £'000 | £'000 | £'000 |
| | | | |
| Children & Young People's Services | 12,037 | 10,881 | 9,881 |
| Adult Care & Housing | 192 | 352 | 352 |
| Regeneration & Environment | 403 | 411 | 420 |
| Finance & Customer Services | 792 | 546 | 480 |
| | | | |
| Central & Corporate Services | 125 | 5 | 5 |
| | | | |
| Social Care Contingency (Adults and Children's) | 1,000 | - | - |
| | | | |
| Total | 14,549 | 12,160 | 11,138 |
| | | | |

**2016/17 – 2018/19 Budget: Investment to address Budget Pressures and Provide Growth**

| | | | 2016/17 | 2017/18 | 2018/19 |
|---|---|---|---|---|---|
| **Directorate** | | **Activity/Service Area** | **£'000** | **£'000** | **£'000** |
| Regeneration & Environment | | Treatment and disposal of kerbside collected organic garden waste – "Green Bin" | 49 | 57 | 66 |
| Regeneration & Environment | | Home to School Transport – statutory duty to respond to increased demand | 194 | 194 | 194 |
| Regeneration & Environment | | RIDO – supporting the Rotherham Growth Plan and Sheffield City Region | 160 | 160 | 160 |
| | | **Sub total** | **403** | **411** | **420** |
| | | | | | |
| Finance & Customer Services | | All-out Elections 2016 (One-off) | 72 | 0 | 0 |
| Finance & Customer Services | | Revenue Costs of New Social Care System (Liquid Logic) | 364 | 229 | 163 |
| Finance & Customer Services | | New Corporate Structure | 356 | 317 | 317 |
| | | **Sub total** | **792** | **546** | **480** |
| | | | | | |
| Adult Care & Housing | | Adult Social Work staff - changes to contractual terms and conditions | 252 | 252 | 252 |
| Adult Care & Housing | | Deprivation of Liberty Safeguards | 100 | 100 | 100 |
| Adult Care & Housing | | Area Assembly development budget (One-off) | 140 | 0 | 0 |
| | | **Sub total** | **492** | **352** | **352** |

| | | | 2016/17 | 2017/18 | 2018/19 |
|---|---|---|---|---|---|
| **Directorate** | | **Activity/Service Area** | **£'000** | **£'000** | **£'000** |
| Children & Young People's Services | | Early Help: Education Welfare Income Target | 53 | 53 | 53 |
| Children & Young People's Services | | Early Help: Children's Centres - loss of Public Health Funding | 230 | 230 | 230 |
| Children & Young People's Services | | Children's Social Care & Safeguarding: Children's Social Worker & Heads of Service contractual terms and conditions changes | 1,353 | 1,623 | 1,623 |
| Children & Young People's Services | | Children's Social Care & Safeguarding: Children's Social Care additional staffing requirement (in excess of £3m additional MTFS funding) | 745 | 469 | 469 |
| Children & Young People's Services | | Looked After Children - Out of Authority Placements | 5,038 | 4,038 | 3,038 |
| Children & Young People's Services | | Social Work Staff and Senior Leadership | 3,000 | 3,000 | 3,000 |
| Children & Young People's Services | | Special Educational Needs and Disability/Inclusion Reform and Transformation - Coordinators and Officers | 150 | 150 | 150 |
| Children & Young People's Services | | Special Educational Needs and Disability/Inclusion Reform and Transformation – Education Psychology Service | 99 | 99 | 99 |
| Children & Young People's Services | | Special Educational Needs and Disability/Inclusion Reform and Transformation – Education, Advice & Support Service | 98 | 98 | 98 |
| Children & Young People's Services | | Early Help: Additional staffing requirement | 51 | 51 | 51 |
| Children & Young People's Services | | Children's Social Care & Safeguarding: Out of Hours Manager Post | 83 | 83 | 83 |
| Children & Young People's Services | | Children's Social Care & Safeguarding: Principal Social Worker Post | 73 | 73 | 73 |
| Children & Young People's Services | | Children's Social Care & Safeguarding: Additional Leadership | 194 | 44 | 44 |
| Children & Young People's Services | | Inherent budget pressures in respect of partial non-delivery of Special Educational Needs and Disability review savings agreed in 2014/15 budget process (£800k) and loss of Dedicated Schools Grant to support revenue budget (£20k) | 820 | 820 | 820 |
| Children & Young People's Services | | Child Sexual Exploitation: Welfare Support | 50 | 50 | 50 |
| | | **Sub total** | **12,037** | **10,881** | **9,881** |

| | | | | | |
|---|---|---|---|---|---|
| Central & Corporate Services | | Local Plan Inquiry (One-off) | 100 | 0 | 0 |
| Central & Corporate Services | | Town Centre events | 5 | 5 | 5 |
| Central & Corporate Services | | Community Events Programme (One-off) | 20 | 0 | 0 |
| | | **Sub total** | **125** | **5** | **5** |
| Adult Social Care and Children & Young People's Services | | Managing Social Care demand (create Earmarked Reserve) (One-off) | **1,000** | **0** | **0** |
| | | **TOTAL** | **14,549** | **12,160** | **11,138** |

**APPENDIX 3**

**Public and Partner Feedback on Budget Proposals 2016/17–2018/19**

The table below provides a summary of all issues covered in the 57 consultation responses received. There are 75 comments listed in total as some responses covered multiple issues.

**Table: Summary of issues raised via invitation for public and partner comments on the budget proposals**

| **Issue / topic** | **No. of comments** |
|---|---|
| Concern about closure of **biological records centre**. Suggestion that we should explore a South Yorkshire joint services agreement. Point made that we will still need to seek expert advice to meet the statutory duty and there will be costs associated with this. One of the responses is a letter signed by a wide range of individuals and organisations, including regional and national bodies. | 18 |
| Concerns about cuts to **rangers in country parks** – predominantly focused on Ulley | 8 |
| Need for **fewer managers** | 4 |
| Concerns about ceasing **payment of utility bills for park pavilions / bowling clubs** (specifically Greasbrough and Herringthorpe Valley) | 3 |
| Don't increase **council tax** | 3 |
| Reduce payments to / numbers of **councillors** | 3 |
| **Adult social care**: can't see how closing adult day centres will save money; need for consultation and impact assessment; concern that cuts to in-house learning disability / residential / intermediate care services will impact on the most vulnerable; issues with moving from day centres to direct payments or other provision, including need to consider impact on families/carers | 3 |
| End funding for the **mayor's car** | 2 |
| Concern about **youth service cuts**, including need for them to be consulted on | 2 |
| Concern that reductions to **school crossing patrols** – specifically at Laughton Junior and Infant School – risk child safety | 2 |
| **Adult social care** – response from service provider disagreeing with "recommended increase of between 2% and 4% (to) be applied by the Council to Adult Social Care Services this year" | 1 |
| **Children and young people services** – as the "failed part of the Council" - should be taken over by "a responsible outside party qualified to take over these duties" | 1 |
| Suggestion for more cost-effective **home-to-school transport** service | 1 |
| **Libraries**: better to close a few rather than diluting the whole service | 1 |
| Don't reduce **street cleaning**, especially in areas that are prone to litter and graffiti | 1 |
| **Recycling centres** could increase opening hours to help prevent fly-tipping | 1 |
| Establish more **district councils** with their own budget | 1 |
| Concerned about increased charges for undertaking maintenance work on | 1 |

| | |
|---|---|
| behalf of **parish/town councils** | |
| A call to end **area assemblies** as they are not a good use of scarce resources | 1 |
| Reduced **revenues/benefits staff** will impact on the poorest in society through increased benefit delays | 1 |
| Concern about proposed reductions to **Clifton Park** | 1 |
| Unhappy with **road repairs** | 1 |
| Unhappy with **contracted out services / PFI** | 1 |
| Need for a **hostel to support homeless people**, particularly (potential) suicide cases | 1 |
| Don't increase "admin charges" at **Rother Valley** | 1 |
| Stop putting money into (named area) of the Borough | 1 |
| **Salaries for senior officers** are too high | 1 |
| Don't reduce staff levels further – look at other options such as **lighting at Riverside House** | 1 |
| Comment about **time-wasting staff** | 1 |
| Use money held in **reserves and investments** | 1 |
| **Good budget overall** with savings identified in a number of areas with minimal impact | 1 |
| Support self-funding option for the **theatre** | 1 |
| Suggestion that providing 2 hours **free parking** per day would be cheaper than the proposed long stay reductions and more attractive to shoppers | 1 |
| Support for **free Saturday parking** | 1 |
| Support for **school crossings** to be funded by academy schools | 1 |
| As published, **proposals are hard to navigate and fully understand** from the public's perspective | 1 |
| Don't hire **expensive consultants** to review services | 1 |

Summary and responses to issues raised

1. Detailed responses to all 57 representations formally received are in the process of being provided by the relevant service.

2. The proposal to cease hosting the biological records centre has clearly attracted the most comments, followed by the proposals to reduce country park rangers. Taken together, they constitute over a third of the total comments (26 of 75). In response to the biological records proposals it should be noted that this relates to the council's budget for 2017/18 and, therefore, does not impact at this stage on the council's ability to set a balanced budget for 2016/17. In the light of public comment, therefore, the service will be assessing in detail all the feedback received, including any viable options that may exist to sustain a service through alternative means while also delivering savings.

3. With regard to the country park rangers proposals and five further responses related to parks (including three expressing concern about ceasing payment of utility bills for park pavilions / bowling clubs) the service is responding to explain how these will be delivered in due course in a way that can sustain a viable service in the face of the funding reductions faced.

4. There were four responses in total relating to adult social care proposals and five relating to a range of children's services, all of which are subject to further, service level consultations, as will be the case for a number of other proposals.

5. With regard to the proposals relating to school crossing patrols, the final Budget proposition has been amended in the light of public and partner feedback to focus on an approach where the Council works proactively in partnership with schools (and other local partners, where relevant) to provide shared, more collaborative future funding requirements. An original proposal to remove funding from 2016/17 for the lowest risk crossing points will not be progressed at this stage in order to provide more time to consult on alternative funding options and carry out a review prior to setting the final budget for 2017/18.

**APPENDIX 4**

# Efficiency Strategy 2016/17

## 1. Introduction

As part of the November 2015 Spending Review, the Government announced that it would introduce flexibility for the period of the Spending Review for local authorities to use capital receipts from the sale of non-housing assets to fund the revenue costs of service reform and transformation. Draft Guidance on the use of this flexibility was issued as part of the Provisional Local Government Finance Settlement on 17 December 2015.

## 2. The Draft Guidance

The Draft Guidance issued by the Secretary of State under section 15(1)(a) of the Local Government Act specified that:

- Local authorities will only be able to use capital receipts from the sale of property, plant and equipment received in the years in which this flexibility is offered. They may not use their existing stock of capital receipts to finance the revenue costs of reform.
- The expenditure for which the flexibility can be applied should be the up-front costs that will generate future ongoing savings and/or transform service delivery to reduce costs or to improve the quality of service delivery in future years. The ongoing revenue costs of the new processes or arrangements cannot be classified as qualifying expenditure.
- The key determining criteria to use when deciding whether expenditure can be funded by the new capital receipts flexibility is that it is forecast to generate ongoing savings to an authority's net service expenditure.
- In using the flexibility, the Council will have due regard to the requirements of the Prudential Code and to the CIPFA Local Authority Accounting Code of Practice and
- The Council is also required to prepare an Efficiency Strategy before the start of the year to be approved by the Full Council – this is that Strategy.

As the Guidance is still in draft form the requirements may change.

## 3 The Council's Proposals

The Draft Guidance sets out examples of qualifying expenditure which included "funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation" and it is for this purpose that the Council is proposing to use £2m of Capital Receipts in 2016/17.

**4.** The Council's Draft Workforce Strategy recognises that people are key to the Council achieving improvement in its services and being representative of their communities. In order for the Council to deliver its Corporate Plan priorities, its Corporate Improvement Plan and its Medium Term Financial Strategy it is essential that the Council has the right people, with the right skills, right attitude, in the right place and at the right time to maintain and improve existing and future service outcomes.

**5.** The Council adopts a "whole organisation" strategy approach that optimises potential structural and operational efficiencies at a corporate level, whilst recognising that it is equally important to ensure quality workforce planning at a local level. And to also deliver organisational and workforce change around the specific service improvement areas identified by recent inspections and reports. This Strategy focuses on the workforce essentials of an "Effective Rotherham Council".

**6.** Key workforce activities are:

- Supporting achievement of budget savings targets for 2016/17 and later years through appropriate workforce interventions and the service reviews and health checks in the Fresh Start Improvement Plan; and
- Responding to staffing pressures and remodelling the workforce corporately but also particularly in Children's Services, Adult Social Care and Regeneration & Environment.

**7. 2016/17 Revenue Budget**

The above priorities have been recognised in the Council's 2016/17 Revenue Budget and Outline Medium Term Financial Strategy (MTFS). These include both revenue efficiency savings from the restructuring and reconfiguring of the Council's Services to meet both current and forecast levels of demand for services, and reshaping of services such as Early Help and Adult Social Care to provide a more targeted approach to the provision of services that is focussed on improved customer outcomes.

**8.** To support this significant and continued reconfiguration of the Council's Services to deliver improvement and efficiencies, the current savings proposals will see a downsizing of the Council's workforce by almost 600 full time equivalent posts (15%) by 2018/19. Additionally, budget proposals to fully address the funding gap

for 2017-2019 are yet to be identified and agreed, but will inevitably further affect workforce numbers. It is therefore proposed that the first £2m of costs associated with staff leaving the Council in 2016/17 should be funded through the flexible use of Capital Receipts with any further costs up to £1m being met from the Revenue Budget which includes provision to fund these costs.

9. **Business Case for Voluntary Release -** when considering the business case for the release of employees on Voluntary Severance/Early Retirement, the Councils' approach is to ensure that the cost of the release of the employee concerned, including both redundancy and pension strain costs, should be recovered from salary savings within 3 years of the employee leaving. This reflects the term of the period covered by the Medium Term Financial Strategy. There is also a requirement that any release would also be subject to meeting 'business need' and thereby retain the right people with the right skills to deliver the required outcomes for customers.

10. **The Prudential Code**

The Council will have due regard to the requirements of the Prudential Code and the impact on its prudential indicators from implementing the proposed scheme within this Efficiency Strategy.

11. As transformation proposals develop and the cost of Voluntary Severance is determined, the expenditure to be incurred will be included in the Council's Capital Programme to be funded by capital receipts generated in the financial year. The capital expenditure prudential indicators will be amended and approved as appropriate. In line with Golden Rule 3 of the proposed Capital Strategy, the first call on capital receipts generated in the year will be utilised to meet the cost of voluntary severance. These receipts have not been earmarked as funding for any other proposed capital expenditure and therefore there is no anticipated additional impact on the Council's prudential indicators as set out in the Council's Treasury Management Strategy.

12. The Council will also have due regard to the Local Authority Accounting Code of Practice when determining and including the entries required from undertaking and funding this scheme within the 2016/17 Council's Statement of Accounts.

13. **Monitoring this Strategy**

This Strategy will be published in accordance with the draft guidance and will monitored throughout the financial year alongside our financial reporting arrangements. The Strategy may need to be updated and replaced as proposals are developed and expenditure is incurred. Also, as the Guidance is still in draft form, changes may require a revision of this Strategy.

# Outline Medium Term Financial Strategy

## 2016 to 2019

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Rotherham Metropolitan Borough Council

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# Foreword by Leader

Our Medium Term Financial Strategy (MTFS) for 2016 to 2019 has been developed to help navigate the Council through this challenging time for Rotherham and all of local government. There has never been a more challenging time for the Council and the sector; our resource base has been reducing since 2010 and will continue to reduce as the Government seeks to continue its fiscal strategy to tackle the national deficit before the end of this Parliament. The way of funding local government has significantly changed over this period and the Government has recently signalled its intention to end its revenue support grant to local government. Equally, the policy environment is fundamentally changing whilst at the same time we are experiencing high levels of additional demand, in particular on our social care services. The time is therefore right to review our Financial Strategy.

Funding levels for local government are falling rapidly. Since 2010 alone, Councils have seen a reduction in core funding of around a third and we know this trend is set to continue over the next few years up to 2020. Reliance is increasingly being placed on local councils to grow their own local economy, to raise additional income from Business Rates and Council Tax as their core funding from Government is reduced year on year. Achieving this local growth is at the heart of the Sheffield City Region Devolution Proposal with Government to help 'kick start' the city region economy, which is complemented by our ambitious Rotherham Growth Plan 2015 to 2025 that was recently approved by Council on October 21st.

The scale of the future reduction in funding is likely to be considerable and raises a number of questions about how local authorities will have to adapt how they will work with an ever decreasing capacity to spend. So far, most of the Council's response has been in the form of "efficiencies" and scaling back rather than stopping services. Although there will always be opportunities to continue to make further efficiencies in the way we deliver services, we know that these will no longer be enough to meet the scale of the challenge ahead. More difficult decisions are going to have to be made but having an effective Strategy should provide the space and time for these decisions to be considered and balanced recognising the needs and priorities of the communities we are here to serve.

Against the backdrop of significantly reducing resources there is growing upwards pressure on the money we are having to spend. Particular pressure points being in our Children's Service as we look to implement our new strategy for improving the way we look after those children and families that need our support to help them keep safe from harm, thrive and achieve their potential. The same is also true in Adult Social Care resulting from an aging population that will see increasing demand for services both in numbers and the complexity of care required.

This Financial Strategy sets out the framework for how we will approach these challenges by ensuring we put value for money at the heart of all we do and making sure that strong financial management is a key foundation for how this Council carries out its business. We do, however, accept that difficult choices will have to be made about where we spend our money but in doing so we will remain focussed on the priorities that you have been keen to tell us during the public consultation events held throughout the Borough over the last year, 2015. These are embedded in our new Vision for the Borough and will be at the heart of our decision-making.

Ensuring the Council has clear priorities and a Medium Term Financial Strategy is a prerequisite for progress towards ending the Government Intervention into the Council.

This Strategy has been brought forward whilst Commissioners have held executive authority but the Strategy should be adopted by the Council. Execution of the Strategy will pass to Councillors as Executive Authority is restored.

Councillor Chris Read

**Leader of Rotherham Council**

Sir Derek Myers

**Lead Commissioner**

# Purpose – What is this document for?

Rotherham MBC wants to plan more confidently for the future and wants to have a better grip on its priorities and to feel as though it has options in order to rise to the challenges it faces.

A Medium Term Financial Strategy (MTFS) sets out a framework for understanding the challenges the Council faces and looks at the options for how these challenges may be met. It should also support the authority's organisational aims and objectives and these in turn should support the Council's overall Vision for the area. The Council does not operate in isolation it works closely and together with its partners – the Strategy will be shared with these partners and it is based upon a good understanding of what local people have said is important to them during the public consultation events held during 2015.

During the summer of 2015, Senior Councillors and the Commissioners, supported by partners, met with over 1,400 people across Rotherham in 27 roadshow sessions, at the Rotherham Show, at the 'Chamber Means Business' event and in an online survey, in order to listen to their views and ask them to vote on their priorities for the future and to help to define a new Vision for Rotherham and a new Community Strategy for the Borough. The results of the consultation are reflected in this Strategy.

This Financial Strategy follows and updates the Council's last MTFS running from 2015/16 to 2017/18. That document served well to describe past budget reductions and to provide detailed budget assumptions and proposed ways forward. Nothing in that document is irrelevant but the Council needs wider ownership of an updated MTFS to inform future choices and decision making and ultimately drive improvement and change.

# Executive Summary

This MTFS commits the Council to urgent and persistent work to:

- *Design and begin to implement a sustainable service to children and families, prioritising the most important interventions.*
- *Re-design its Adult Social Care services to make services more relevant to individual need and from this reduce expenditure on non-essential service costs.*
- *Work harder to get more value from the existing or modestly increased budgets for street and environmental services.*
- *Plan to increase housing, inward investment and jobs growth, to contribute towards income growth.*
- *Seek to work with partners and stakeholders to reduce our underlying cost base.*
- *Seek opportunities to generate more money responsibly, to replace lost government grant.*
- *Settle in 2016/17 on a new strategy for customer access using web access as much as possible to reduce transaction costs.*
- *Consider in 2016/17 a new plan to promote social cohesion and identify any resource requirements.*
- *Revise its 30 year HRA Business Plan in the light of new constraints.*
- *Consider a new Workforce Strategy.*
- *Utilise the 2015 public consultation results to ensure that our focus remains on our residents' priorities and that these are at the heart of informing decision-making.*
- *Spread understanding and ownership of the many other ways the Council has to adjust to less money and changing local circumstances.*

# 1 The Wider Context – the Challenges

## Less Core Funding – Government Grant

Local Government has to change because the current Government wants to spend less and given it wants to protect the NHS, schools, defence spending and international aid, the rest of public sector expenditure will receive less grant support. Preparing for the November 2015 Spending Review, the Chancellor of the Exchequer indicated that unprotected departments, such as Local Government, should identify savings of up to 40 % over the next three years. In the event; the Autumn Statement and Spending Review of November 2015 indicated that the Settlement Funding Assessment (SFA) paid to local authorities, will reduce by £6.7 billion by 2020, a reduction of around 32 % – but this will depend on the level of Business Rates growth achieved.

However, these resource projections do not include the impact of several other announcements in the Spending Review, which will have significant and lasting implications for local government. In particular, the move to local authorities retaining of 100 % Business Rates by the end of this Parliament - it is estimated that this would give authorities £13 billion of additional local tax revenues based on total Business Rates Revenues of £26 billion. This policy change is in line with the Government's stated intention to phase out government grant funding and move towards a more financially self-sufficient local government sector model as part of its ongoing devolution agenda. In the future this is likely to require local councils to fund spending plans solely from local income (Council Tax, Business Rates and fees and charges) generated within their area.

As part of this ongoing financial shift, the main local government grant – Revenue Support Grant (RSG) -worth £39.4m to Rotherham in 2016/17 will be phased out and additional responsibilities will be passed to local authorities, including potentially, responsibility for funding the administration of Housing Benefit for pensioners and also the transfer responsibility for funding Public Health and Attendance Allowance. The Government intend to engage with councils and to consult on the implementation of 100 % Business Rates retention in the summer of 2016 but for the present the impact of this proposed change is not reflected in the published Spending Review and Settlement figures.

The Final Local Government Finance Settlement was issued on 8th February 2016. As with the Provisional Settlement released in on December 17th 2015, the Final Settlement included 2016/17 allocations and indicative funding allocations for 2017/18, 2018/19 and 2019/20.

As well as indicating funding allocations up to 2019/20, authorities were offered the option of negotiating a 4 year financial settlement with the Government In order to qualify the Council would need to have an efficiency plan. As part of the Final Settlement the Secretary of State indicated that Authorities will have until the 14th October 2016 to respond to the offer, however further details of how the offer would work were not released.

The implications of accepting a 4 year settlement are being considered, but it is important to note that the offer is qualified, the final grant determinations for future years will still be subject to change:

- As the annual Business Rates multiplier changes;
- For future changes such as transfer of functions between national and local government;
- Due to the full localisation of Business Rates and phasing out of Revenue Support Grant by 2020 which will subject to consultation this summer; and
- Changes due to unforeseen events.

The Council's budget for 2016/17 reflects the Final Settlement, however the projections for later financial years have not been revised as yet – the next iteration of the MTFS, which will cover the period to 2019/20, will do this. The Settlement and Indicative Funding Allocations bear out the Council's working assumption that it will have to manage with reducing levels of Government resources over the life of this Parliament.

The financial projections in Rotherham's MTFS have been updated as the national policy and public spending picture has become clearer and as work on the Council's Budget has progressed. The previous working assumption, reported in July 2015, was that the gap between likely available resources and current spending expectations if rolled forward was £19.6m in 2016/17, building to at least £41.1m over the next 3 years. Building in additional service investments, chiefly in Children's Safeguarding to meet known pressures aligned to delivering the Children's Improvement Plan, as well as assisting in the delivery of the Council's other priorities mean that the working assumption was of gap of £20.9m in 2016/17 rising to at least £48.1m for the next 3 years.

These figures more than likely will get worse – Children's Social Care expenditure is still increasing, the Adult Services' Budget is under pressure as people live longer, the figures do not include the results of the 2016 Triennial Pensions Revalution which is beginning and there could be deterioration in the Council's ability to achieve its income expectations, some of which like business rates and car parking income are intrinsically linked to prevailing economic conditions. Equally, changes in national policy (e.g. the implementation of the national living wage, the Apprenticeship Levy) and the extent to which Government financial support is provided to the sector to help implement these will also be key factors.

## Demography

The Council is not in control of who lives locally but we need to anticipate how the population will change. Firstly, the Borough has a lower churn than some other metropolitan areas, particularly London boroughs and large cities, which tend to attract young people and new arrivals into the country. The evidence is that inward migration into Rotherham is by people who are looking to settle and overall the Council should embrace population and jobs growth. The area has many natural attractions for the next generation of the local population and those moving in to enjoy a good life, with access to great early years centres and schools, affordable housing, an efficient road network and great countryside and is

likely to continue to become more diverse, as the migration pattern of the last decade continues.

The predicted population growth for the Borough over the next 6 years is 2.5% or 6,500 and although the local economy, not the Council, has most of the levers to positively impact on this rate, if the Council were very proactive about promoting local economic and housing growth, then this figure could increase to 15,000 over ten years. In the 2015 consultation, local people voted by nearly 2-1 for more homes for sale and more homes to rent and 82% supported more businesses locally and 94% considered more jobs a priority, indicating a high level of support for housing development and business growth within the Borough. Overall demand for school places may not rise as the 5 to 15 age group has been in decline, although schools may provide more places for out of borough children.

Secondly, Rotherham's population is ageing. The population over 85 years old is forecast to increase by 3% per annum so it is likely that there will be around 25% more people over the age of 85 by 2021, where experience tells us there will be more demand for local health and social care services if individuals are not in a position to care for their own needs. Rotherham's population over 65 is also expected to rise by up to 2% per annum which is above the regional average and of these residents, 15% are more likely to be living in a care home. This pressure is likely to be compounded by the welcome news that more adults with a moderate or severe disability are living beyond 65 years of age.

## Deprivation

Thirdly, the most deprived areas of Rotherham are becoming more deprived. The 2015 Index of Multiple Deprivation shows a slight deterioration in Rotherham's rank from 53rd to 52nd most deprived out of 326 districts in England. However, this underlying ranking does not show that the deprivation in the poorest 10% of the Borough has increased significantly and on this measure, Rotherham is the 23rd most deprived district. 50,000 Rotherham residents (20%) live in areas within the most deprived 10% of England and nearly 9,000 of these residents (3.3%) in Ferham, Eastwood, East Herringthorpe and Canklow are in the most deprived 1% of England.

## Regional and Government Policy

Arguably areas like Rotherham might become more attractive if the South East of England continues to overheat and access to affordable housing continues to be in crisis. This might cause employers to relocate out of the South East or other areas beyond the South East to become attractive relocation opportunities for individuals and families. The Government may also seek to relocate some Government functions.

The Government has committed to supporting "Fracking" as a potential new energy industry. Two thirds of Rotherham has been identified as potential exploration areas. Local planning permissions will be needed. The Council will need to consider carefully the balance between employment and other opportunities and environmental considerations.

## Welfare Changes

Welfare changes are an ongoing experiment as part of the Government's overhaul of welfare policy. The Government believes they increase incentives to return to work, improve fairness and will save £20 billion in national expenditure by 2020 but many households will continue to see real decreases in income which are likely to further limit life opportunities, increase debt (including Council rent and Council Tax debt) and have other social implications. The Council will need to continue to understand the ongoing welfare changes and their effects on both residents and families and demand for Council services as the next phase of these (reduction in Tax Credits, implementation of Universal Credits) take hold. Tightening rules on benefit entitlement for migrants risks increasing expectations on the Council to act as last resort relief for those who are homeless, or need support.

## Devolution

The Government Devolution Act was approved by Parliament in early February 2016. The Act contains opportunities for groups of local authorities to put forward a case for having expenditure decisions now taken by parts of Central Government devolved to regional or sub-regional areas. Rotherham is part of the Sheffield City Region which in October 2015 agreed an 'in principle' Devolution Deal worth at least an additional £900 million in funding to the region over the next 30 years. The Deal would also bring the region more control of spending on; affordable housing, economic investment, public transport, skills training and business support to help the city region to deliver economic growth in line with its agreed Strategic Economic Plan (SEP).

The 'in principle' agreement will require ratification by all the nine member authorities of the City Region by early March 2016. Rotherham is due to approve the Devolution Deal at the Full Council meeting on March 2nd 2016. This ratification follows a period of public consultation from December 2015 to January 2016.

Although some aspects of the Deal would be implemented in 2016/17, any ratified agreement will require further legislation to confirm the powers being transferred to any new Mayoral Combined Authority. This would be brought before Parliament in the summer of 2016 and would be agreed by the autumn for Mayoral elections to be planned for May 2017 with devolution taking full effect from that date.

The Borough will need to be thoughtful about how it exerts its influence in the City Region as there will be undoubtedly opportunities to use new and existing funds more effectively and some risks – aligned to increased financial independence from Government and additional managerial and administrative costs.

## The Economic Cycle

Rotherham has had more than its fair share of changes in major industries and changes in world markets which have had very significant impacts for local employment prospects. The local economy is not now as reliant on single industries but Rotherham cannot ignore the recent difficulties in the steel industry and the retail and service sectors are still affected by consumer confidence and the nature of the local population. The Borough wants to support more, better, jobs and wants to encourage more local people to upgrade their own

skills so as to be able to improve their own standards of living and achieve their ambitions.

Any significant increases in the prevailing inflation and interest rates will increase returns on Council cash deposits but increase tensions from pay restraint and make contract cost rises and borrowing more expensive. The Council will need to keep abreast of changing economic conditions and model likely scenarios.

Over the course of this strategy period, there are also bound to be a number of new issues which require consideration, adjustment and new thinking. Some of these we might be able to anticipate but others may currently be unknown.

## Technology

All of us, to varying degrees, now expect technology to be part of our lives and part of the way we do business. We need to make it easy for people to do business with the Council online whilst recognising that there will still be a proportion of the population that will still want to do business on the telephone or indeed face to face. Simple transactions are cheaper to handle online and therefore this Strategy proposes the Council should move to a position where the lowest cost option for transacting business is always encouraged and/for non-essential services required.

Similarly new technology can enable staff to be more efficient and record keeping to be more purposeful. The Council can use data to better understand its own business. Using technology more often requires a capital investment. There should be a financial pay-back if there is a consequent reduction in staffing levels but the maintenance and replacement costs of Information Technology (IT) need to be planned in. Overall, as a proportion of its spend, the Council is likely to need to increase spending devoted to technology and modern communications.

## Social Cohesion

The Council wants to see itself as a promoter and manager of place and that means we have to be thoughtful about the Council's

role in promoting a local climate which builds on Yorkshire's proper reputation for friendliness. We want to ensure that all communities in of the population feel they have got a chance to prosper. The Council has duties under the Equality Act and will want to promote equality of opportunity and ensure there is no unlawful discrimination. The consequences of ignoring community tensions are likely to include disruption in local life and additional costs and, although, a more proactive set of Council ambitions need not be a major expense, it may well give rise to expenditure which is not currently planned in existing Council budgets.

## Financial projections to 2019

The Council has navigated its way through the resource reductions over the last five years largely by improving its efficiency track record. This of course becomes more and more challenging to achieve and therefore means we need to think, plan and deliver further and further forward. We do not have a strong track record in doing this, particularly in terms of putting in place clear plans allowing us to focus on the medium term position facing the Council. Doing this and projecting our financial planning assumptions forward over the next 3 years is essential to ensuring our success.

Working with the Local Government Association (LGA), the Council has established projections for its income and expenditure for the period 2016 to 2019. Chart 1 below shows these projections

**Chart 1: Projected Income vs. Expenditure 2016-2019**

# 2 The Objectives of the Medium Term Financial Strategy

## Objective One:

**To ensure that we seek to protect the services on which our residents place most priority.**

**Key Themes**

- **Vision for the Borough**
- **Political Ideas**
- **Being Clear on our Corporate Priorities and What is Not a Priority**
- **Urgent Issues to Address**

Ensuring priorities direct and drive our resources forms the key focus of this Financial Strategy, through this focus we will ensure that those resources are expended on the services and issues most important to the residents and businesses of the Borough. It is clear that we are now operating in a very different external environment than previous financial strategies, therefore the focus of this objective reflects the choices the Council will need to make about where reductions in expenditure are focused, thereby ensuring that those services most important to our residents and businesses are protected wherever possible.

### Vision for the Borough

Rotherham is not "one place" and work over the summer has reconfirmed that many residents feel a great sense of local loyalty to the area that they have chosen to live in. Many people live in the Borough but work elsewhere. We have 20% of our local population working in Sheffield and 19% in other adjoining areas. In the east and south of the Borough, Sheffield may be a more relevant area for them to shop or take their leisure, whereas in the north of the Borough there may be a similar association with Barnsley.

We recognise that Rotherham is a place of 10 significant places and 15 smaller settlements. We continue to think it efficient to organise Borough wide services and indeed, we are likely to want to discuss with neighbouring authorities whether or not we can jointly scale up some services to improve efficiency. There will be other services, particularly care of vulnerable adults and management of the local street scene, where we want to look at other opportunities for devolving responsibility for local priorities to administrative arrangements below the level of the Council. This might imply a different responsibility for the seven Area Assemblies and some Parish and Town Councils.

## The Political Ideas Alive in the Country and Within Other Organisations that are Relevant to Rotherham

Currently the next General Election is set for 2020 but prior to this there will be a political debate about the UK's presence in Europe which could have economic impacts.

The ideas alive within the Labour Party may well influence a Labour administration in Rotherham.

The Council needs its financial strategy to be realistic and to take account of the challenges and constraints discussed above but also to serve the overall ambitions of the organisation.

During the summer of 2015, an exercise was held to consult local people both face to face and online. The 'Views from Rotherham' consultation was based on Council leaders, Commissioners and partners meeting people from businesses, the local workforce, primary schools, colleges, communities, political parties, the voluntary sector and faith groups and an online survey. Over 1,400 people responded. In light of the outcomes of this consultation with residents and employees and working with its partners, the Council has refreshed its 'Vision' for the local area

## Being Clear on Our Vision and Corporate Priorities

Rotherham is our home, where we come together as one community, where we seek to draw on our proud history to build a future we can all share. We value decency and dignity and seek to build a town where opportunity is extended to everyone, where people can grow, flourish and prosper and where no one is left behind.

To achieve this as a Council we must work in a modern, efficient way, to deliver sustainable services in partnership with our local neighbourhoods, looking outwards, yet focused relentlessly on the needs of our residents. To this end we set out four priorities:

- Every child making the best start in life,
- Every adult secure, responsible and empowered,
- A strong community in a clean, safe environment; and
- Extending opportunity and planning for the future.

Plus a commitment to being a modern and efficient Council.

Drawing on this vision and these priorities we can state the following:

*"Every Child Making the Best Start in Life"*

We accept in full our responsibilities to assess vulnerable children where they appear to be in need of support or protection. We want to ensure that we are good corporate parents to those children who are in our care. Increasingly we want to avoid children coming onto costly protection plans or entering care, by the persuasion of good multi-agency early help services. The current Budget proposals include plans for significant investment in Children's and Young People's Services, in particular safeguarding children and continuing to support the victims of child sexual exploitation, to help address these improvement priorities.

*"Every adult secure, responsible and empowered"*

The Council has recently published a new Vision and Strategy for improving our Adult Social Care Services, with the ambition that adults with disabilities and older people and their carers will be supported to become independent and resilient so they can live good quality lives and enjoy good health and well-being.

A programme of changes has been started to ensure that the Council delivers its services in a manner that puts individuals needing support at the centre of plans, and that services are:

a. Customer focused rather than service led with better collaborative working between different parts of the Council the NHS and other partners;

b. Changed from being reactive to preventative with earlier intervention, better support for carers maximising resilience;

c. Offering a simpler customer journey so that people can get help as quickly as possible;

d. More accessible especially in the evening and at weekends;

e. Making greater use of a wider range community assets, services and resources and of alternatives such as supported living extra care schemes and Shared Lives to minimise the use of residential and nursing care; and

f. Focussed on improving outcomes for customers and carers.

Nationally there has been significant and rapid change in the way adult social care is delivered and Rotherham must move with this trend. The Council has placed more people in residential care and in traditional community services compared to other authorities. Homecare has not been used effectively and the current customer journey and referrals process are not operating as effectively as they need to. Our Strategy and Vision will ensure the Council's Adult Social Care Services are delivered efficiently and in line with those of other councils to achieve better outcomes for people at lower cost.

At a time when the Council is having to save money and demonstrate real improvements in the value for money it offers, the transformation of Adult Services is a key element to achieving this. However, in doing this the Council recognises that Service has a number of significant cost pressures and is therefore looking to invest more than £1.8m in 2016/17 to help offset these pressures.

The Council will have to show leadership by defining and successfully implementing a vision for the future of both services to children and services for adults. This is because both of these services are currently spending more than the Council is likely to be able to afford in the medium term.

The public will rightly have high expectations of good quality care generously available to those who need it but the Council is unlikely to be able to meet all these expectations without fatally compromising the quality and range of other services which the Council would also expect its residents to enjoy such as; good quality cleansing and waste management; repairs to roads and other open access amenities such as parks, libraries etc. The Council also needs to maintain its responsibilities for regulation including key services of planning and licensing. The Council will therefore be active in leading a discussion about what is reasonable in all of these financial circumstances and proposing and then refining, after consultation, a balance between whether the services that are made available are subject to a charging regime and how this might operate.

*"A strong community in a clean, safe environment"*

We understand that local people expect the Council to keep their places clean, to repair potholes and to stop areas feeling neglected. In the 2015 consultation 92% said this was a priority for them. We know that the local people appreciate that litter, vandalism, anti-social behaviour, graffiti, fly tipping and careless driving all contribute to urban degradation and we know that a sense of pride in local areas can reduce overall costs.

We will be a strong critical friend to South Yorkshire Police and examine options to add to visible joint enforcement capability particularly in Central Rotherham Areas of the town.

The Council does not have any money of its own - all of its funding has either been paid through tax or user charges and it, therefore, wants to find ways of sharing dilemmas about how to make best use of these funds to secure these popular and necessary environmental improvements. We will examine whether, by devolving some responsibility and authority for such expenditure decisions to areas below the level of the Council itself, we can improve the targeting of expenditure decisions to improve local impacts.

We know that most local people take it as a matter of honour that they care about their area; are interested in their neighbours and want to see their young people thrive. The Borough has a rich array of local charities and 600 voluntary groups and we ought to see this grow.

*"Extending Opportunity and Planning for the Future"*

For new employment and housing opportunities to be maximised the Council will need to be forward thinking, looking at roads and public transport infrastructure and planning ahead for new community facilities. The Council wants the area to be 'open for business'. The Council will need to maintain some investment in economic and housing development, in concert with its city region partners.

The Council has prudential borrowing powers and capital receipts that it can use to fund an investment in its assets and infrastructure subject to a robust business case being put forward. For example, the Borough can potentially benefit from a new high speed rail station at Meadowhall and the other public transport improvements which will be associated with this. The proposed tram-train service from Sheffield is also welcome.

*'A Modern and Efficient Council'*

The Council is changing and is committed to very high standards. We want to be modern, transparent and efficient, challenging ourselves to reduce costs wherever it is responsible to do so and comparing ourselves regularly with others both in local government and in other sectors ensuring that we have taken on board new ideas and new techniques.

The Council wants to be well thought of by its public. We will communicate well, and ensure basic administrative processes are efficient and effective.

We want to be open about the fact that the Council will have to do less in the future and some of the things that a Council has traditionally done will have to be done by others, perhaps with a new mix of funding from the Council, some local fundraising and some voluntary effort. Where public money is concerned, we will need to set some minimum standards so that any organisation in receipt of public money knows what is expected of it.

As part of our new model of working, we are interested to know how local Councillors might spend less time in the Town Hall and more time working with local communities and interest groups in their wards making things happen that local people think are important. The best Councillors do this naturally already.

## What is Not as Much of a Priority?

Amongst all of the individuals in communities of the Borough, there will be many who are passionate about individual causes or believe that the Council ought to prioritise a particular issue. Part of being open and honest about the Council's future vision and financial strategy is to accept that not everything can be a priority and therefore this section seeks to propose where the Council is consciously not going to prioritise expenditure. This does not mean that there will not be any expenditure at all but more likely that expenditure will be limited to those pragmatic arrangements, which, either meet

a minimum requirement or produce a return on investment.

For the Borough of Rotherham, the Council believes that:

a) It cannot at this time prioritise being a Green Council: - when that means spending taxpayers' money on initiatives which do not themselves lead to savings. However this might mean that the Council could invest in energy saving initiatives or indeed energy production to help alleviate fuel poverty, if a business case supported such investment. Local people seem to support this pragmatic approach. "Becoming more environmentally friendly" received one of the lower levels of support of all possible spending priorities – 58 %

b) There will be human circumstances where it will be highly desirable for the Council to offer subsidised services to those who would like to have them such as: older people who are struggling to cope with the chores of everyday life. However, such desirable provision is likely to be beyond the Council's ability. Local people seem to recognise this as in the 2015 consultation, respondents recognised that providing routine support was less of a priority than services necessary to preserve an individual's ability to stay out of hospital or institutional care. Also in the 2015 consultation, although protection of children was ranked as a high priority, by 93 % , a clear majority of responses thought helping parents whose children were not critically at risk, was a lower priority (43 % ).

c) We are likely to have to reduce our range of open access facilities including libraries and to reduce maintenance costs for public open space. It may be necessary to declare which public open spaces the Council can maintain and at what sort of amenity value level.

d) The Council is unlikely to be able to subsidise community facilities which are available for local groups, but it would like to see these facilities maintained, providing that responsibility can be transferred to local management and that users will meet all or least a greater share of the costs.

e) The Council is likely to be a modest supporter of the arts and other community initiatives, simply because this desired expenditure does not compete well with other duties that the Council must attend to. We may wish to look at being a minor contributor to activities which, with some Council support, stand a much better chance of securing support from others.

f) Local people do not support the Council being very interventionist in some public health issues such as helping people with obesity. In the 2015 consultation less than one in four thought this a priority. Public Health funding might be targeted more at children's future health and helping adult abuse survivors.

## The Most Urgent Issues to Address

Because of the cost of children in care and the high numbers of children in need and having protection plans, Children's Services spending is currently running ahead of budget expectations and it is likely it will prove difficult to reduce this expenditure significantly in the next 2 years.

However, the Council must plan to bring its Children's Services into a sustainable and affordable cost mode. This will mean:

a) responsibly reducing the looked after children population and looking after more of children closer to home;

b) responsibly reducing the number of children needing full scale protection plans;

c) offering a wider range of early help services designed to 'nip problems in the bud' and promote families' abilities to access help without formal assessment and support.

d) Ensuring the services we do provide are provided at the right cost and value, including buying from other providers.

The planned, affordable investments in Children's services over the next 3 years will help bring about such a position.

Having a confident plan for a sustainable Children's Services is probably the Council's number one priority as the planned investment shows but there are other parts of the Council which also require urgent action.

Like others nationally and locally, Rotherham's Adult Services Budget which provides services to vulnerable adults is under severe pressure from a range of factors including: demographic change, Deprivation of Liberty Safeguarding (DOLS) Regulations and implementing the National Living Wage. These services have not moved with the times and do not always deliver good, efficient outcomes for their customers and are at present financially unsustainable in their current format. The Council needs to do more to promote a modern and efficient range of services, promoting greater choice and improving outcomes for clients. Equally the Council we will need to be more realistic about who can be helped and on what terms.

The Autumn Statement included the announcement of a Social Care Precept giving local authorities responsible for social care the flexibility to raise Council Tax in their area by up to 2 % above the existing referendum threshold ring-fenced for social care purposes. In addition, from 2017 social care funds rising to £1.5 billion by 2019/20 will be made available to local government as part of an Improved Better Care Fund although significant levels of resources will not be released until 2018/19. Using the flexibility offered by the Adult Social Care Precept to support this work will need to be considered carefully due to the impact on Council Tax payers.

As part of this process the Council's staff terms and conditions need to be centred around customer requirements rather than staff convenience.

The re-imagining of Adult Social Care is the second biggest priority for the Council.

The Council has a large road network and keeping this in good repair, attending to other street scene demands and making sure that the Council is active in dealing with fly tipping and roadside litter is an uphill battle. Because of the gap between expectations and available resources, the Council will need to work very hard to ensure that its delivery

mechanisms for these services are hyper-efficient and the staff are managed with skill and ambition. The Council will need to think about whether or not it can take any other opportunities for increasing revenues to support this service, perhaps by offering to act as an enforcement agent for vehicle license evasion.

The Council will want to improve the street scene in all resident areas, but particularly those marked by highest levels of deprivation. Most of these improvements need to come from increased productivity from existing resources. This is the third highest priority.

Rotherham Town Centre - as a matter of civic pride, the Council will want to arrest any further decline in the Town Centre, consolidate the retail core and add in other uses, including promoting a cinema or near-cinema site and a wider range of restaurants, eating places and night life. The Council will need to compete with other out of town entertainment sites and have an agreed offer of 'free parking'. It will also mean developing sites in the town centre to add to the residential population and acting to ensure that central wards including Eastwood Village, Ferham are well regulated, kept clean and safe and do not feel like a place apart.

Given the overall commitment to local jobs and housing growth, the Council will need to ensure it has the right capability to promote such opportunities and ensure they are seized. This might mean setting up units of specialists, shared with other councils or ring-fencing certain receipts into setting up a local housing and economic development company.

Investment in various economic activities will always compete badly against more urgent requirements underlined by statutory duties and therefore we would want to see if there is any capacity that can be in part paid for by the fruits of its own success with an Economic Development Fund which meets a significant proportion of these costs. This will also need to be considered alongside any City Region Devolution Deal.

# Objective Two:

**To manage our finances in accordance with our core financial principles and to give the community continued confidence in the financial stewardship of the Council.**

**Key themes**

- **Balanced Budget**
- **Core Financial Principles**
- **Balances and Reserves**
- **A 10 Year Vision for the Financial Health of the Council**
- **New Skills and Disciplines to Implement this Strategy**

## Balanced Budget

Over the last few years the Council has worked hard to maintain financial stability. Given the ongoing turbulent economic and financial environment we are likely to face, maintaining financial stability will be essential in order to be able to address those matters requiring 'Urgent Attention' while ensuring that we give more of a medium to long term focus on the Borough and its emerging Vision and Priorities. This will require both officers and the organisation itself to adopt and adhere to a set of Core Financial Principles.

## Core Financial Principles

Bearing in mind the contents of the emergent vision outlined above: a safe, well-kept and friendly Rotherham with a reliable and efficient Council which is able to articulate its ambition and longer term objectives and is clear on what it will and will not do, it is possible to articulate the important principles of our financial strategy, based around the values set by the current administration:

a) That financial efficiency should be taken as a core value. For money to be wasted or not properly used is an offence against the hard working families who contribute their taxes for the common good. The Council wants to seek Best Value in all its activities.

b) The Council budget will change every year and periodically there must be a rigorous process of looking at new responsibilities and new demands (the imperatives) and comparing these to a list of budget reduction opportunities and requirements. The heart of this is the Council knowing where every £1 is spent. This confidence can only be developed over time.

c) The Council will want to be a good employer but will be active in discussing with its staff and their Trade Union representatives the inevitable tension between the number of jobs that it can properly retain and the payment that is attached to those jobs. The Council will pay at least the living wage to its own staff and influence others to meet this standard where it can.

d) The Council will be ever mindful of its legal duties, well informed about what it must do and the quality standards that it must expect to deliver as a minimum requirement. It will take account of the views and judgements of

external inspectors and regulators and any advice received from third parties outside the Council which, should at the present time, include those appointed as Commissioners.

e) The Council will always respect its tax relationship with local people, but will make the case for tax increases where it has the right argument. Given the current and medium term future spending pressures on Children's and Adult Services, the Council is likely to seek to increase Council Tax above inflation over the next planning period including the flexibility offered by Adult Social Care precept. In the 2015 consultation, the protection of children was ranked as the highest priority and a clear majority of respondents supported above inflation Council Tax rises if services improved over what they would be otherwise.

f) The Council will always seek to manage its different financial activities in a way which understands the relationship between them. Therefore there needs to be a deliberate attempt to join up the Council's Revenue Budget Planning, its Capital Strategy, its investment ambitions, its expectations around changes in local tax rate, its Treasury Management (the management of its cash balances), its debt collection and recovery efforts and the range of price points it charges for services.

g) The Council will look to develop further its long term financial planning and reporting processes to ensure our resources are fully aligned to our agreed priorities and to better understand its service cost drivers and likely future demand for its services which will support better decision making.

h) The Council will seek to plan ahead, to avoid rushed decision-making and create budget capacity for investment in its services, the Borough and with partner organisations.

i) The Council will seek to run itself as one organisation, avoiding unhelpful and inelegant competition between parts of the Council and ensuring that all departments of the Council work together and indeed that the Council works with its partners in a way that avoids duplication, waste and 'friction costs'.

j) The Council will work with its neighbours, voluntary organisations or any partners if it can reduce costs, improve services or plan better for the future. In the 2015 consultation three quarters wanted the Council to work closely with the voluntary sector; 61 % with other councils; 84 % with the NHS and 90 % with the police.

## Balances and Reserves

The Council needs to maintain an appropriate level of General Fund balances to maintain financial stability and to manage any identified and increased financial risk. This has been set at a minimum of 5 % of net operating expenditure for the financial strategy. In determining the minimum level of balances, key factors include:

- The risks inherent in the budget;
- The level of specific reserves and associated financial provisions;
- The future risks the Council may be exposed to; and
- The Council's history in delivering services within the budgetary provision set.

During the period of the financial strategy the minimum level of general fund balances will be 5 %. However this will need to be closely monitored and if appropriate reviewed given that Children's Services are currently investing much needed additional resources and it is likely it will prove difficult to significantly reduce this expenditure in the next 2 years. Equally, there is an ongoing, significant risk shift from central government to local government as grant funding is reduced and ultimately phased out by 2020 and authorities become reliant on local sources of income such as; Council Tax and Business Rates, which are more vulnerable to national and local economic conditions beyond the Council's direct control or influence. These, plus any other significant financial risks, will need to be effectively identified, quantified and effectively managed to ensure that the available General Fund balance is reasonable to protect the Council from these potential risks.

Alongside general balances it is vital the Council has an appropriate level of reserves and provisions to support the delivery of the resident's priorities and to protect our services where possible.

## A 10 Year Vision for the Financial Health of the Council

The main purpose of this Strategy is to map out how the Council might more systematically make financial decisions over the next three years but it also helps to describe a vision for the Council in 10 years' time which we believe should have the following intrinsic characteristics:

a) In line with national government proposals in respect of Business Rates. The Council will need to look at how it can become more financially self-sufficient and eventually not reliant on government grants where it can only ever be a supplicant.

b) To that end, the Council will seek to become more entrepreneurial, looking to exploit commercially and use properly its assets, including: property holdings; land; buildings and its human talent, to earn money from willing purchasers and customers.

c) The Council will plan responsibly to enable and support a growing population in the Borough thereby increasing its Council Tax base and spreading its overheads over a wider population.

d) The Council will work to increase its business base, by adding to the pool of those who pay Business Rates and having a more diverse and less dependent economic base.

e) The Council will become an organisation in which its subsidy for services to those in need is more transparent but it will also remain willing to provide services where individuals or their families are willing to pay the real costs without subsidy.

f) The Council will ensure that anybody who lives locally, who acts in a way which is inimical to the interests of their neighbours, and their communities, will understand that as far as is within the Council's enforcement powers, they will have to bear a penalty cost and that any proceeds beyond the costs of such enforcement will, wherever lawful, contribute to the wellbeing of the many.

g) The Council will be looking at stepping

in where there is market failure. In other Council areas this has included: providing finance for local businesses; providing group insurance schemes; providing group energy schemes; providing extra services to schools and academies.

h) The Council will be smaller. At the end of 2015 the Council employs 4,085 FTE staff and it is likely that in 10 years, the staff numbers will have reduced by around 30 % to c3,000, unless there is a reversal of current trends or the Council is given further powers under any devolution settlement. In future there might be 'sponsored staff' working for other agents, partners or independent organisations where the Council is the main source of funds. We may also host staff working for functions that become local under "devolution".

i) The Council will have its own housing company building and acquiring homes for rent and potentially even for sale on a shared equity basis. Some of these homes will be at 'social rents' and others will be at market rents appealing to those who might be on different career paths, with more disposable income.

j) The Council will continue to be the principal democratic institution locally where all the big decisions are made but it will be used to working in concert with a variety of other smaller democratic institutions including Parish Councils and Area Committees and other quasi democratic institutions from the voluntary sector and civil society who will be helping people at a local level serve their own problems and support their neighbours.

k) A greater number of smaller organisations will be adding to the money that the Council provides with a range of voluntary effort, and local and professional fund-raising from other sources.

l) The Council will be working in partnership with all other parts of the local state with lead professionals working with the most dependent households trying to ensure they are in work, managing long-term health problems well and not causing aggravation to their neighbours.

## New Skills and Disciplines to Implement this Strategy

The Council recognises that it will need to grow its skill base and capabilities to implement this strategy by ensuring that it has:

a) The ability to analyse costs against activity and propose beneficial change.

b) The ability to model various scenarios around housing growth and jobs growth in terms of the Council Tax base and business rates income.

c) A more aggressive approach to bidding for external finance.

d) Improved capability for evaluating investment opportunities.

e) A more sophisticated prioritisation of the capital programme (bearing in mind the commitment to integrate this with all other financial instruments)

f) Confidence in maintaining an agile workforce, with challenging skill mixes and salary levels and commitment to hiring staff at the minimum cost levels needed to ensure staff are motivated and will stay long enough to achieve objectives.

g) Commercial skills to design, evaluate and market things that the Council believes it can sell to willing purchasers.

h) Good project and programme management skills, to deliver complex change and development.

i) The right skills to allow the Council to develop its housing development function.

# Objective Three:

**Ensuring our infrastructure is fit for purpose and supports our ambitions.**

**Key themes**

- **Capital Strategy and Capital Governance**
- **Linkages to Other Funding Sources e.g. Sheffield City Region**
- **Asset Rationalisation & Disposals**

To deliver a long term vision for the Borough requires a fundamental shift in the resourcing of our assets and infrastructure to give a more appropriate balance between revenue and capital in this strategy.

## Capital Strategy and Governance

A five-year Capital Strategy is being put forward for consideration and approval as part of the 2016/17 budget which will see an additional proposed investment of £180m above the £99m already approved in the Council's current capital programme (2016-18). Through the Strategy we are now looking to deliver a step change in this investment which further recognises the importance of capital investment in our built environment and infrastructure in bringing about economic growth (jobs, prosperity), improving the attractiveness of the Borough and its Town Centre as a place to live, learn, work, visit and play.

It is intended that the Capital Strategy will help drive the achievement of Rotherham's long term ambition and vision including corporate priorities. To help ensure our finite capital resources are appropriately prioritised and spent well we have introduced a new, more robust governance framework for prioritising and managing the capital programme and individual projects, which is aligned to best practice and Treasury Guidelines for managing such matters. This framework will help to ensure:

- Money is well-invested,
- Proposals are thoroughly assessed,
- Projects and programmes are delivered on time, to budget and are of the right standard,
- Benefits and costs are clearly-defined from the outset and are realistic and achievable.

The Revenue Budget implications of the Strategy are fully reflected in in the Council's long term financial planning assumptions.

## Linkages to Other Funding Sources

The Council needs to do more to lever in all available external funding for the Borough. This is ever more important as the Government is increasingly looking to devolve major funding programmes to a City Region level. Equally the Council is working with the Sheffield City Region Combined Authority (SCRCA) to deliver its Strategic Economic Plan. The SCRCA has more recently put forward proposals to Government on how it would like to further accelerate the implementation of this Plan, which focuses on delivering:

- An integrated 21st Century transport network,

- An area recognised for innovation, advanced manufacturing and business growth,
- More people learning, working in apprenticeships and higher skilled employment,
- 7,000 new homes per annum and increase commercial development.

With it has already come devolved funding programmes of £350m in the City Region and the recent devolution proposals will see a further single pot of £30m a year (60 % of which is capital funding) for 30 years to further the City Region's Strategic Economic Plan.

## Asset Rationalisation and Disposals

The Council has been actively rationalising its operational and non-operational estate for the last five years, which has delivered both capital receipts to help fund further investment priorities as well as revenue savings. The Council has about £22m of uncommitted capital receipts and the new Capital Strategy sets out how the Council is planning to best utilise these resources. Because of the steps already taken further future receipts are not expected to be as significant and are likely to be more difficult to deliver.

The Government has recently signalled its intention to allow councils the prospect of using capital receipts generated from 1st April 2016, for a three year period, to flexibly finance revenue expenditure, where that expenditure will lead to future efficiencies in service delivery. The Council is actively considering these proposals as a mechanism to facilitate further the delivery of its Improvement Priorities.

A Corporate Property Strategy sets out how the Council will manage its property portfolio over the next 5 years and how it will work with and challenge services on their proposed use of property to deliver services.

# Objective 4:

**To Maximise the Council's Resource Base**

Key themes

- Business Rates System
- Council Tax
- New Homes Bonus

Effectively managing the future resource base of the Council will be key to the long term sustainability of the Council. A significant and increasing amount of our resource will be driven by local decision making (Council Tax, Housing Rents and fees and charges) and local growth (Business Rates income and New Homes Bonus).

The Government is intending to consult on the implementation of the 100 % Business Rates retention during the summer of 2016, following a period of extensive engagement with councils and their representatives in the preceding months.

Business Rates will take on more prominence as the Council, along with its City Region partners, will, subject to "sign-off" of the Devolution Deal, become a pilot authority for retaining 100 % of any additional Business Rates growth beyond expected forecasts. This pilot is set to begin in April 2016, ahead of the Government's stated intention to end Revenue Support Grant funding to local councils by the end of this Parliament (2020).

Since 2010 Local Government has, and will continue to see, a significant and unprecedented shift in emphasis of funding available to councils. Being in a position to "grow your own" local resources will now become of paramount importance to local authorities and that is why we are working together across the City Region on delivering the Strategic Economic Plan; why we have published our own complementary Rotherham Growth Plan 2015-2025; and why we are investing in our built environment and infrastructure hopefully to kick start economic growth and prosperity in the Borough.

## Business Rates System

Since the introduction of the Business Rates Retention scheme in April 2013, Business Rates collected locally have become more of a key source of funding. Potentially, the Council benefits from being able to retain 49 % of any increased yield in locally generated Business Rates resulting from higher economic growth. This incentivises Rotherham to retain, develop and grow businesses already in the Borough as well as increasing the attractiveness of the town for other businesses to set up and to re-locate here. Equally, the Council carries the risk for any reduction in Rates yield.

Rotherham's forecast Business Rates income for 2016/17 is approximately £73.3m from some 7,500 business premises, of which the Council will retain £35.9m. The Council is largely dependent on this income from a relatively narrow economic base and a number of significant ratepayers – for example the top 50 business rates payers contribute about 33 % of the total Business Rates collected. Of the top 50 more than half are retail businesses and the single largest ratepayer – Tata Steel is in an industry that is under significant economic and financial pressure nationally.

Equally, Business Rate valuation appeals and reductions in income due to changes in reliefs (e.g. schools becoming academies) will have a direct impact on Rotherham's level of future Business Rates income all of which are outside of the Council's control and influence. For example, although the Council's Rates base in 2016/17 has held up relatively well. There are significant risks associated with:

- An ongoing national backlog of valuation appeals managed by the Government's Valuation Office Agency (VOA);
- Appeals and revaluations of Health Service properties including Drs' Surgeries and Health Centres and more recently hospitals requesting mandatory charity relief;
- The planned national rates revaluation which will take effect in 2017.

As Rotherham only receives a lower proportion of its income from Business Rates (relative to other authorities) it is unlikely that it would qualify for a safety net payment from Government. To qualify would require a 9 % to 10 % reduction in the Council's Business Rates income. A key part of our Strategy, intrinsically linked to the SCR Strategic Economic Plan and the Borough's Local Growth Plan, is therefore to try and increase the Business Rates yield to support our future budget and to mitigate the risks of any reduction in rates income.

As well as Business Rates the Council also receives grants to support rates discounts for small businesses etc. In addition, the Council is able to retain rates income in relation to new renewable energy developments and Enterprise Zone – although the latter is passported to the city region Local Economic Partnership (LEP). Our working assumptions for Business Rates income are shown in the table below. At this stage we have only updated the 2016/17 projections in light of the Local Government Financial Settlement.

### Table 1 Business Rates Income

| Business Rates Retention Scheme | 2015/16 £m | 2016/17 £m | 2017/18 £m | 2018/19 £m |
|---|---|---|---|---|
| Business Rates retained income | 36.211 | 35.930 | 36.501 | 37.732 |
| Section 31 Grants | 2.465 | 1.618 | 1.664 | 1.720 |
| Renewable Energy | 0.155 | 0.159 | 0.162 | 0.169 |
| Enterprise Zone Relief | 0.299 | 0.305 | 0.315 | 0.324 |
| Business Rates Top Up Grant | 22.628 | 22.817 | 23.759 | 24.561 |
| **TOTAL** | **61.758** | **60.829** | **62.401** | **64.506** |

Retained Business Rates are part of the annual Settlement Funding Assessment (SFA) from the Government. The SFA also includes Revenue Support Grant (RSG) and Business Rates Top-up Grant. With the introduction of Business Rates Retention the Council's RSG funding has been reduced and it is anticipated that this will continue for the life of this strategy given the Government's recent confirmation that it intends to fully localise business rates and end RSG by 2020.

The MTFS resource forecasts, originally assumed reductions in Rotherham's overall Government Funding of 9 % per annum from April 2016 until 2018/19. This approach modelled an overall funding reduction of 27.2 % over 3 financial years. This was however, before the announcement in the Autumn Statement of plans for 100 % retention of Business Rates and phasing out RSG by the end of this decade. Although both the Provisional and Final Local Government Settlements for 2016/17 included indicative resource allocations for the following years, these did not reflect the plans for 100 % rates

localisation over the life of this Parliament.

In light of this the MTFS projections for Business Rates and RSG Income have been retained for 2017/18 and 2018/19 until further information becomes available. The table below sets out the current assumptions in this Strategy.

**Table 2 Projected Settlement Funding Assessments (SFA)**

| | 2015/16 £m | 2016/17 £m | 2017/18 £m | 2018/19 £m |
|---|---|---|---|---|
| Revenue Support Grant | 50.925 | 39.405 | 27.666 | 17.649 |
| Share of Business Rates Top up Grant | 22.628 | 22.817 | 23.759 | 24.561 |
| Baseline Business Rates Local Share | 36.211 | 35.930 | 36.501 | 37.732 |
| **Settlement** | **109.764** | **98.152** | **87.926** | **79.942** |
| **Year on Year Reduction %** | | **-10.6%** | **-10.4%** | **-9.1%** |
| **Cumulative Reduction %** | | **-10.6%** | **-19.9%** | **-27.2%** |

## Council Tax

Council Tax remains a critical and increasing part of the Council's resource base as Chart 2 below shows. Indeed, going forward it is expected that the proportion of local government spending nationally met by Council Tax (including the Adult Social Care Precept) will increase significantly from 49.5 % in 2015/16 to 61.7 % in 2019/20.

### Improvements in Collection

As a Council we are good at collecting Council Tax and we are continually looking for ways to maintain and where possible drive up collection rates to ensure all those that can pay, do so. We are consistently collecting over 97 % of money owed in the same year and in 2014/15 (the latest year for which there are figures, Rotherham exceed the all authorities average with an in-year collection rate of 97.2 % compared to 97.0 % ).

Our strategy assumes a 3 % loss on in-year collection in 2016/17, prudently rising to 3.5 % for the following two years given the projected deepening impact of the Government's Welfare Reform programme on collection rates. Our cumulative arrears are about £67 per property, which is also significantly lower than most other similar-sized councils and less than 43 % of the average for Metropolitan Authorities (£157). By collecting more, we have been able to generate a surplus on our Collection Fund, which has been used to reduce future Council Tax increases. This Strategy currently assumes that the Collection Fund will generate a £4m surplus in 2016/17 and £3m thereafter for the remaining years of this strategy.

### Increasing Council Tax Base

As with its Business Rates Base, Rotherham's Council Tax base (i.e. the overall number of properties that the Council can collect Council Tax from) is limited compared to other authorities. Approximately, 86 % of domestic properties in Rotherham are in Council Tax Bands A to C – with 54 % in Band A and less than 1 % in Bands G and H – the highest value properties. This notwithstanding, increasing our Council Tax base provides a direct increase to the income available to

the Council. This growth can come from two areas:

a) Year on year the tax base has been growing by about 1 % a year, mostly as a result of building new properties in the Borough and reductions in the number and value of Council Tax Discounts and Exemptions granted by the Council – for example, the Council has been proactive in ensuring single person discount is only legitimately claimed and it has incentivised empty properties to be brought back into use. Also, it is no longer allowing a discount on empty properties where previously a 25 % discount had been allowed for a period of time.

b) In addition, in 2013/14 the Government as part of its welfare reform programme, proposed that Council Tax Benefit would be localised from central to local government In localising Council Tax support the Government reduced the funding for councils by 10 % and has continued to reduce its support in line with its reductions in grant funding to Councils. The challenge for Rotherham is to ensure an affordable local Council Tax Support scheme is in place that provides continued support to the most vulnerable residents within the community whilst seeking to protect the priorities of our residents overall. National regulations protect pensioners' benefits and Rotherham's current scheme requires all working age benefit claimants to pay a minimum of 8.5 % of their Council Tax liability. The number of working age claimants is gradually reducing as welfare changes encourage more people into work. At this stage, the Strategy assumes that the current qualifying minimum scheme will be retained although this will need to considered alongside the future budget position.

This Strategy includes an assumption that the overall Council Tax Base will increase by 0.9 % a year from 2017 onwards.

## Increasing Council Tax

In considering its future Council Tax decisions, the Council will need to balance the considerations of possible local referendum threshold levels and the underlying needs of the Borough, which should be supported through local taxation decisions.

It has been the Government's policy to prescribe a percentage increase in Council Tax that will trigger a local referendum (a mechanism to control increases). For 2015/16 the threshold was 2 %. So like a lot of other councils Rotherham has increased its Council Tax charges by just less than 2 % (1.95 % in 2015/16).

The Provisional Local Government Settlement, however, signalled a very significant change in Government policy. For authorities like Rotherham, with Adult Social Care responsibilities, the Government will allow an increase of up to 4 % composed of a basic threshold of up to 2 % and a further 2 % flexibility in the form of a Adult Social Care Precept without a local referendum being triggered. This was confirmed by the Final Settlement and indicative figures released by Government suggest this pattern continuing until 2020.

Any income raised from the Precept needs to be ringfenced for Adult Social Care spend in recognition of the increasing cost of providing care which is expected to significantly outweigh the additional income that will be

generated from the Precept.

This represents a significant shift in Government Policy, which has in the past used grant incentives and referendum thresholds to restrict local tax increases. The Strategy assumes a 3.95 % increase (including ASC Precept which will become part of the Councils base tax income) in 2016/17 and a 1.95 % increase in the following two years, as no assumption has been made about the continued use of the ASC Precept beyond 2016/17.

Table 3 below illustrates the projected income from Council Tax over the period 2016/17 to 2018/19 based on the above.

**Table 3: Projected Council Tax Income 2015-2019**

| | 2015/16 £m | 2016/17 £m | 2017/18 £m | 2018/19 £m |
|---|---|---|---|---|
| Council Tax | 83.663 | 87.472 | 89.517 | 92.084 |
| Adult Social Care Precept | | 1.716 | 1.716 | 1.716 |
| Collection Fund Surplus | 2.000 | 4.000 | 3.000 | 3.000 |
| **TOTAL** | **85.663** | **93.188** | **94.233** | **96.800** |

## New Homes Bonus (NHB)

The New Homes Bonus grant incentivises councils for promoting house-building in their communities, including affordable housing units as well as bringing back into use empty properties. The majority of this resource is essentially top-sliced from the Revenue Support Grant (with any residual top-sliced funding not used being refunded to authorities). Again this is part of the shift in local government funding towards placing more emphasis on local economic growth. In Rotherham's case we generate about £1,400 per unit delivered, receiving an overall provisional allocation of £5.999m in 2016/17, which is slightly less than expected reflecting a smaller increase in the number of properties qualifying for the bonus.

This Strategy currently assumes that the scheme will continue in its current form and that the Council's share of the national allocation will increase by £1.1m a year until 2018/19. However, the Government has recently released a consultation paper that is likely to change significantly future allocations of NHB.

From 2017/18 NHB will be reduced in order to help fund the Government's improvements to the Better Care Fund by 2020 which will see £1.5 billion allocated nationally by that time – not all of this is new money!

As yet there is no detail how the Fund will work. What we do know is that under the consultation proposals, the Council could lose up to 40 % of its current NHB allocation – this Strategy assumes a continuation of the current scheme.

## Housing Rents

Long term planning in the Housing Revenue Account is based on a 30 year Business Plan. The current Plan assumed that rent increases would follow nationally set rent convergence targets to 2015/16 and that rents would rise year on year by Consumer Price Index + 1.0 %. This would have enabled significant investment in housing growth and development, as well as funding the current level of responsive repairs and maintenance.

The current draft Welfare Reform and Work Bill will enforce an annual 1 percentage cut to Social rents for the period 2016/17 to 2019/20, as well as other financial constraints, which will have a significant impact on the Plan and the Council's ability to deliver on its housing growth and development ambitions. Work to revise the Business Plan and modelling the impact of the changes is still ongoing.

## Specific Grants

In addition to non-ringfenced grants such as RSG and the NHB, the Council receives specific grants in relation to a range of activities and duties from several Government Departments. The largest of these is Dedicated Schools Grant (DSG) - £118.4m in 2016/17. This is the main source of income for the Council's Schools Budget and is based on block allocations determined by the number of pupils. Following the Spending Review announcement, schools budgets will be protected in real terms, enabling a per pupil protection for the DSG.

During 2015/16 the Department for Education (DfE) began the process of school funding reform. Principally, additional funding was allocated to the 'least fairly funded'

local authorities, Rotherham's position was uncharged. However, the DfE stopped short of introducing a national funding formula. In the November 2015 Spending Review, the Government confirmed it would consult on a new national school funding formula early in 2016, with revised funding arrangements being brought in from 2017/18. As, under any new system, the fine detail is likely to be controversial because of the potential for "winners and losers". The Government has said any changes will be phased in and there will be a transitional period to help smooth implementation.

Aside from DSG the Council received some £33m in specific grants in 2015/16, although grant terms and conditions mean that the Council is not always free to determine who the resources are used. When grant has been accompanied by specific duties and responsibilities the Council's policy has been that the grant will be used to address these new duties without creating an additional corporate budget pressure.

Many specific revenue grants have in recent years been subsumed within the Business Rates/RSG settlement as part of the Council's mainstream funding - the Settlement Funding Assessment, nevertheless the Council continues to receive substantial specific grant streams, which, were not released with the Settlement, it is highly likely that the Council's MTFS will need to be revised once these grant allocations become known.

One of the largest of these grants is Public Health Grant worth £15.3m to the Council in 2015/16. The Autumn Statement included the announcement of 3.9% real terms savings per year nationally in local authority public health spending over the review period, in addition to the £200 million of savings that were announced earlier this year (Rotherham's share of which was £1m). The savings will be phased in at 2.1% in 2016/17, 2.5% in 2017/18, 2.6% in each of the two following years, and flat cash in 2020/21. Also included in baseline for savings is funding for 0 to 5 years commissioning which was transferred to Local Authorities during this year. The longer term implications of the national savings for individual local authorities are not currently known but will depend on decisions about the funding formula and a political decision on pace of change.

The Spending Review and Settlement also announced an improved Better Care Fund which will distribute £1.5billion for social care by 2019/20, although the new fund will not come on stream until 2017/18 when £105m will be allocated nationally. How these additional resources will be allocated will be consulted upon but will take account of authorities' ability to raise resources locally from the Adult Social Care precept (and assumes that authorities will use to the full the flexibility allowed them).

# 3 Financial Strategy Planning Assumptions

**Key themes**

- **Expenditure Plans**
- **The Financial Challenge**
- **How Do Other Councils Manage and How Does Rotherham Compare?**

## Expenditure Planned

The Council set a 2015/16 Net Revenue Budget of £203.55m and the chart below shows how it was planned to spend that money by directorate and service. As the figures relate to the Net Revenue Budget, the expenditure shown is after taking into account income from specific grants (such as Dedicated Schools Grant) and fees and charges.

**Chart 3: How the Council Planned to Spend its Money in 2015/16 by Service**

An alternative way of looking at the Council's spending plans is to consider what the Council spends its money on. Chart 4 below analyses the proportion of the Council's Planned Gross Spending for 2015/16, before allowing for income from grants and charges, between differ types of activity (employees, premises, supplies etc.). This shows that the largest element of Council spending is currently employee related expenditure, followed by contracted services and transfer payments (which are predominantly benefit payments like Council Tax Support and Housing Benefit).

**Chart 4: How the Council Planned to Spend its Money in 2015/16**

## Budget Baseline

The Council's approach to its 2016/17 Budget and to its MTFS has been to limit, as far as possible, the impact of funding cuts on front line services, whilst looking to grow the local economy to maximise income generation potential. Additional funding has been provided to protect vital services for those most in need in our community, and also to recognise the overwhelming need to provide further support for victims and survivors of Child Sexual Exploitation and to target early help and preventative work with vulnerable young people.

The Council has continued to take forward and address the findings in the Professor Jay, Ofsted and Louise Casey reports to help the Council become 'fit for purpose' at the earliest opportunity, whist continuing to reduce management, administration and support costs as far as is sensible to do so.

The process has also focused on corporate and service transformation in line with the Borough's Community Strategy and Council's Corporate Plan priorities and objectives, ensuring services continue to be equipped to deliver a high standard for the citizens, businesses and stakeholders of the Borough.

Adhering to a clear set of budget principles and taking a measured approach, putting forward robust and deliverable budget proposals will enable the Council to put itself in a strong position to preserve its a financial resilience and to mitigate the risks it faces in the coming financial years.

## Budget Baseline

Moving forward from its 2015/16 budget the Council has established a present policies baseline budget for the years covered by this Strategy. This baseline includes: inflationary assumptions for pay, utilities, business rates

and contracts and the need to make good in 2016/17, £6m of one-off savings used to balance the budget in 2015/16.

The Baseline also includes known cost pressures in particular;

- Reductions in the Education Services Grant as schools convert to become academies;
- The ending of National Insurance Contracting-Out from April 2016; and
- Meeting the cost of reducing the size of the workforce.

In addition, the Council working with Commissioners, has identified key investments needed to enable the Council to continue to address the findings in the Professor Jay, Ofsted and Louise Casey reports to help the Council become 'fit for purpose' at the earliest opportunity. This work has focused on corporate and service transformation that is fully aligned to the Borough's Community Strategy and the Council's Corporate Improvement Plan "A Fresh Start" priorities and objectives. The objective has been to equip services to deliver high standards for the citizens, businesses and stakeholders of the Borough whilst continuing to reduce management, administration and support costs as far as is sensible to do so.

The proposed investments include:

- £12m in Children's and Young People's Services to meet both current and forecast levels of demand for services and to fully respond to the recommendations in the Jay, Casey and Ofsted reports. The proposals address an historic underfunding of the placements budget, recognise the more recent increase in demand for services and provide a much needed increase in Social Worker and Leadership capacity.
- Reshaping of the Early Help offer into a more targeted approach to the provision of Youth Services.
- Adult Services are recognised as having a number of significant cost pressures and the Council is therefore looking to invest more than £1.8m in 2016/17 to help offset them, which will be funded from the proposal to take up the 2 % Adult Social Care Precept.
- In addition, a £1m Social Care contingency budget has been created which will be allocated to Adults and Children's social care during 2016/17 subject to demand.
- In EDS lost grant funding will be replaced with £160k Revenue Budget to support RIDO – a service that is vital for attracting inward investment into the borough if it is to grow and thrive.

As well as these spending pressures and investments the Budget process has identified key savings proposals of around £33m over the 3 years of this Strategy which will help reduce the Budget Requirement both in 2016/17 and going forward

For 2016/17 savings proposals of £11.3m have been identified in Directorate Budgets, although a number of the proposals at present require more extensive consultation which will take place over the coming months in accordance with statutory requirements.

The proposed 2016/17 Budget also incorporates a further £10.5m corporate savings including:

- Realising £7.5m from re-profiling the servicing of Council debt and review of Private Finance Initiative (PFI) arrangements;
- A planned review of staff terms and conditions of employment –to be implemented from October 2016: £1.0m (£2m full year effect); and
- A £2m reduction of the Council's budget for Voluntary severance budget (although this is predicated on use of the new Capital Receipts flexibility announced by the Government in the last Autumn Statement)

In addition, proposals to balance the 2016/17 Budget include the use of reserves. As well as the planned use of a contribution from the Council's Transformation Reserve to the funding of Children's placements over the next three years which has been factored into the proposed Directorate Cash Limit Budget. The budget proposals also include the use of £2m from the general grant reserve for 2016/17 utilising some of the grant secured from the Department for Communities and Local Government (DCLG) in November 2015.

Over and above these issues, there are a number of other cost pressures in the system which will need further consideration moving forward – these include:

- Any ongoing need for additional investment in Children's Social Care;
- Demographic pressures in Adult Social Care;
- Implementation of the National Living Wage both for Council Staff and particularly by Contractors and Clients;
- The financial impact of the 2016 Pensions Triennial Revaluation (effective From April 2016); and
- The Apprenticeship levy.

## The Financial Challenge – Setting a Balanced, Sustainable Budget

Since 2010 the Council has already addressed a budget shortfall in its resources of £117m and recognises that the next four years are unlikely to get any easier for either the Sector as a whole and this Council. Given the challenges it faces in bringing about significant improvement at a time when resources will become more finite and the Council will become increasingly more dependent on generating its own local revenues to pay for services. By the time this decade ends local government is facing the prospect of no longer receiving government grant funding support.

Table 4 below summarises the financial challenge facing the Council for the period of this Financial Strategy 2016 to 2019.

**Table 4: The Financial Challenge**

| | 2015/16 £m | 2016/17 £m | 2017/18 £m | 2018/19 £m |
|---|---|---|---|---|
| Total Budget Requirement | 203.554 | 199.521 | 197.280 | 201.267 |
| Estimated Resources: | | | | |
| -Government Funding | -50.925 | -39.405 | -27.666 | -17.649 |
| -Business Rates | -61.758 | -60.829 | -62.402 | -64.506 |
| -Council Tax | -85.663 | -93.188 | -94.233 | -96.800 |
| -New Homes Bonus | -5.208 | -6.099 | -6.978 | -6.918 |
| **Total Estimated Resources** | **203.554** | **-199.521** | **-191.279** | **-185.873** |
| **Cumulative Financial Challenge** | **0** | **0** | **6.001** | **15.394** |
| **Year on Year Increase in Financial Challenge** | | | | **9.393** |

Managing this shortfall in resources over the term of the Strategy will be the Council's most challenging to date – as previously stated delivering the level of savings required from efficiency savings alone will not be enough.

## How do other Councils manage and how might Rotherham compare?

Austerity is not new and even before austerity became a requirement, many councils had been active in driving down their costs or looking for new ways of doing things. Sadly, there is not much empirical evidence to prove that any of the tactics or tools outlined below are sure to deliver either better or the same quality services at a reduced costs but there are lots of opinions about what works or should, in theory, work. This Strategy serves to describe how the Council will regard these options.

## Outsourcing

The Council does not believe that outsourcing to large national or supra-national companies is necessary or appropriate. It believes that it can be a good manager of efficiency through its own officers. However, it is perfectly willing to use local companies employing local labour to provide competitive market places for a range of routine services and supplies that the Council needs. The Council is very interested in seeing the voluntary sector offer to provide more services.

The Council does not believe a programme of market testing is necessary and fears that such a programme would have its own costs and could lead to apparent short term benefits but long term reductions in quality and lost value.

The Council will also explore whether setting up Not for Profit Trusts to hold property or run services would be an effective option.

## Shared Services

The Council accepts that it should seek to share services with other councils and integrate services with the health service in a way that is designed to save money both in the short and long terms. It stands ready to talk to any partners about such propositions and expects to reduce management costs, property costs and other specialist overheads by forming such bigger, better integrated, operational models.

## Commercial services

Some councils have sought to maximise their earnings. Such opportunities are dependent on there being sufficient demand-for example for off street parking. Rotherham

could look to see what it might do at Rother Valley Park to diversify its income sources.

The Borough needs a first class regional attraction. In the 2015 consultation, 72 % of respondents wanted a good range of things to do for teenagers and 67 % wanted a bigger range of low cost leisure activities. Other land holdings should be similarly examined, as potential sites to host affordable leisure activities. The Gulliver's campus in the Borough is a welcome addition.

## Pay Bill Re-engineering

This describes the ways in which in councils have sought to question whether highly skilled professional staff are the only answer, and have looked to see whether or not a smaller core of such staff could be supported by more modestly paid auxiliary or administrative staff. For example, fewer highly skilled social workers might be supported by family support workers and administrative staff. The Council is interested in thinking creatively about this and looking to learn from best practice elsewhere.

79 % of local people in the 2015 consultation said that the Council ought to help ensure young people had training or a job and therefore increasing apprenticeships and starter jobs would suit this purpose.

## Management Delayering

The Council believes that good managers add value by ensuring that money is spent well, by controlling quality and by leading service development. Nevertheless, the Council also accepts that managers are overheads and that overheads must be controlled and minimised wherever it is responsible to do so. The Council will reduce its managerial costs at least in line with its overall budget reductions each year and will periodically check its management structures against other councils'.

## Staff Spin-outs

This is the development and encouraging of staff to take their skills outside the Council and sell them back to the Council and, potentially, to other purchasers. The theory suggests that if staff are motivated by, in effect participating in the running of their own company, they will be more productive and more innovative. The Council notes that in the past there has been enthusiasm for this model from all three major political parties. However it also notes that such enterprises depend very much on having staff with the right motivation and particularly a entrepreneurial senior member of staff who does all the work and is able to lead staff to a different organisational form. The Council is ready to hear from staff who come up with such ideas but does not see itself as spending a lot of time and money seeking to engineer such transfers of responsibility.

## Cost Reviews

In theory benchmarking information is available which allows councils to compare what they are spending or what things appear to be costing, with other councils or potentially other institutions. It recognises that some of this benchmarking material may be of poor quality, nevertheless the Council commits to seeking to be transparent about its costs and comparing these to other organisations where this provides a good learning opportunity.

## Property Overhead Reductions

The Council accepts its duty to minimise its operational property costs by:

a) Keeping properties under repair and therefore trying to hold down heating bills and other running costs.

b) Sharing properties with others.

c) Releasing properties where they are unoccupied.

d) Moving from high cost accommodation to lower cost accommodation.

e) Supporting responsible levels of home working.

f) Working to join up with neighbours and other public bodies on a 'one public estate' to share opportunities for cost reductions.

g) Looking to see whether transferring property into the ownership of a Trust would save on business rates.

## New Charges

Some councils have introduced new charges reflecting new services and activities which have grown up in public areas or have sought to make available public facilities to commercial companies. Examples might include; Community Infrastructure Levy (CIL) requiring licenses for professional dog walkers or those who provide fitness training in public parks; or letting out some public land to those who provide, for example, professional five a side football leagues. The Council will approach such ideas on a case by case basis.

## 'Digital by Default'

Some authorities have sought to minimise their face to face contact costs by requiring most, if not all, service users to transact with their council online. The Council believes that some ability to transact with the Council over the telephone and face to face remains appropriate but recognises that through time more people will become familiar with transacting over the web and wishes to play its part in encouraging this direction of travel. It will be ambitious in seeking cost savings from this channel change.

## Crowdsourcing New Priorities

The Council no longer believes that it always knows best and will periodically seek to test the opinion of its local residents about complex dilemmas and choices. However it also recognises that it has duties towards unpopular causes (such as those misusing drugs) or where neglect of an issue might cause more community harm. It will therefore continue to assert this democratic right and responsibility to make the decisions in what it believes to be the community interest.

# 4 Delivering and Monitoring the Financial Strategy

## The Budget Process

This Strategy has set out the challenges and the options facing Rotherham MBC over the next 3 years. The underpinning Budget has been developed using a policy-led approach that is corporately owned and has considered and explored opportunities to modernise services, do things differently and ensure that the longer-term implications of both cutbacks and investments in the short-term are fully considered across all services.

As part of the new process two new arrangements have been set in place:

- A process of All Service Reviews (ASRs) and Major Projects across the Council; and
- A cross-cutting "Budget Strategy Group" (BSG), to support and challenge the ASRs and provide an ongoing strategic forum for taking the programme of work forward.

The BSG, in turn, advises a high level group of Commissioners and Elected Members – a "Budget Working Group" – on the key issues requiring action and decisions in preparing the 2016/17 budget and future years. The Member-led Budget Working Group (BWG), composed of the Leader, Deputy Leader and Advisory Cabinet has met regularly with Lead Commissioner Sir Derek Myers and Managing Director Commissioner Manzie to consider key/high spend saving proposals emerging from the ASR process and to ensure regular communication to wider Members, partners and staff on the progress of the budget process.

Potential budget pressures have been considered, reviewed and scrutinised against the following criteria:

- Strategic fit to emergent vision;
- Requirements of new legislation whether or not funded by new grant;
- Demonstrable demand increases for a statutory function;
- Necessary to remedy a priority weakness.

In light of these factors, the Medium Term Financial Strategy presented will need keeping up-to-date.

## Delivery of Savings

In particular, the Council will need to ensure effective and closely managed implementation plans for the delivery of the saving proposals are in place and that performance in delivering the budget is routinely reported to the Council's Senior Leadership Team, Commissioners and the Advisory Cabinet.

## Scrutiny

As part of the new policy-led approach to the Budget the Council's Overview and Scrutiny Management Board (OSMB) now have overall responsibility for scrutinising the setting of the 2016/17 Revenue Budget and the establishment of the Medium Term Financial Strategy. OSMB is working with the Office for Public Scrutiny to ensure that an effective framework for undertaking this valuable scrutiny is put in place.

Agenda Item 10

Rotherham Metropolitan Borough Council

Public Report
Council Meeting

**Summary Sheet**

**Report to Council – 2nd March, 2016**

**Title Setting the Council Tax for 2016/17**

**Is this a Key Decision and has it been included on the Forward Plan?** Yes

**Strategic Director Approving Submission of the Report** Stuart Booth Acting Strategic Director Finance and Customer Services

**Report Author(s)** Anne Ellis Strategic Finance Manager Finance and Corporate Services 01709 822019 anne.ellis@rotherham.gov.uk

**Ward(s) Affected; All**

**Executive Summary**

This report sets out details of the calculation of the Council Tax for Rotherham's parished and unparished areas for the financial year 2016/17 incorporating the new 2% Adult Social Care "Precept" encouraged by the Government and includes both the Police and Crime Commissioner's and the Fire and Rescue Authority's Precepts as well as parish councils' precepts.

**Recommendations**

1.1 **It is recommended that Council are asked to approve this report and the formal Council Tax Resolution in Appendix A and in doing so the Council:**

- **Approve a Net Revenue Budget for the Council in 2016/17 of £199,521,000, which after receipt of Central Government Grants and use of the Collection Fund leaves £89,188,081 to be funded;**
- **Approves the calculation, in accordance with Section 34 of the Local Government Finance Act 1992 (as amended by the Localism Act 2011), £1,328.20 for a Band D property as its basic amount of Council Tax for the year including an Adult Social Care Precept of £25.55 (using the formula in section 34 of the Act) for an unparished area;**
- **Approves the calculation of the amounts set out in section 3 of Appendix A for the year 2016/17 in accordance with Sections 31B to 36 of the Act 1992 ;**
- **Notes that the major precepting Authorities (the South Yorkshire Police and Crime Commissioner and the Fire and Rescue Authority) have stated the following amounts respectively in Precepts issued to the Council, in accordance with Section 40 of the Act – South Yorkshire Police and Crime Commissioner a Band D Tax of £153.16 and South Yorkshire Fire and Rescue Authority a Band D Tax of £67.63;**
- **Notes that the Town and Parish Council Precepts for 2016/17 detailed in Section 1b of Appendix A total £2,389,549 The increase (+3.97%) in the**

**Average Band D Council Tax for Town and Parish Councils results in an average Band D Council Tax figure of £1,363.79.**

- **Resolves that the Council sets the amounts presented in section 3 of Appendix B for both unparished and parished areas as its Aggregate Council Tax Requirement (including South Yorkshire Police and Crime Commissioner and Fire and Rescue Authority Precepts) for the year 2016/17; and**
- **Determines, that, in accordance with the principles determined by the Secretary of State and set out in the Referendums Relating to Council Tax Increases (Principles) (England) Report 2016/17, that Rotherham Metropolitan Borough Council's relevant basic amount of Council Tax for the year 2016/17 as defined by Section 41 of the Local Audit and Accountability Act 2014 is not excessive.**

**List of Appendices Included –**

**Appendix A Council Tax Calculations**

**Appendix B Council Tax for Parished Areas**

**Background Papers**

- Local Government Finance Act 1992 as amended by the Localism Act 2011
- Localism Act 2011
- Local Government Finance Act 2012
- Council Tax (Prescribed Classes of Dwellings) (England) (Amendment) Regulations 2012
- Section 84 of the Local Government Act 2003
- Council Tax Base Report – 27th January 2016.
- DCLG Letter to Section 151 Officer 16th February 2016
- The Localism Act 2011 (Commencement No.1 and Transitional Provisions) Order 2011
- The Council Tax (Demand Notices) (England) Regulations 2011.
- The Council Tax (Demand Notices) (England) Amendment Regulations 2016
- The Local Audit and Accountability Act 2014
- DCLG Council Tax Referendums 2016/17 Information Note February 2016
- Proposed Revenue Budget and Council Tax - Report to Cabinet on 23rd February 2016.
- South Yorkshire Fire and Rescue Authority Precept Notification 18th February 2016
- South Yorkshire Police and Crime Commissioner Precept Notification – verbal confirmation received 18th February 2016
- CIPFA – Draft Model Resolution for Council Tax Setting – January 2015

**Consideration by any other Council Committee, Scrutiny or Advisory Panel** No

**Council Approval Required** Yes

**Exempt from the Press and Public** No

**Title (Main Report)**

## 1. Recommendations

1.2 **It is recommended that Council are asked to approve this report and the formal Council Tax Resolution in Appendix A and in doing so the Council:**

- **Approve a Net Revenue Budget for the Council in 2016/17 of £199,521,000, which after receipt of Central Government Grants and use of the Collection Fund leaves £89,188,081 to be funded;**
- **Approves the calculation, in accordance with Section 34 of the Local Government Finance Act 1992 (as amended by the Localism Act 2011), £1,328.20 for a Band D property as its basic amount of Council Tax for the year including an Adult Social Care Precept of £25.55 (using the formula in section 34 of the Act) for an unparished area;**
- **Approves the calculation of the amounts set out in section 3 of Appendix A for the year 2016/17 in accordance with Sections 31B to 36 of the Act 1992 ;**
- **Notes that the major precepting Authorities (the South Yorkshire Police and Crime Commissioner and the Fire and Rescue Authority) have stated the following amounts respectively in Precepts issued to the Council, in accordance with Section 40 of the Act – South Yorkshire Police and Crime Commissioner a Band D Tax of £153.16 and South Yorkshire Fire and Rescue Authority a Band D Tax of £67.63;**
- **Notes that the Town and Parish Council Precepts for 2016/17 detailed in Section 1b of Appendix A total £2,389,549 The increase (+3.97%) in the Average Band D Council Tax for Town and Parish Councils results in an average Band D Council Tax figure of £1,363.79.**
- **Resolves that the Council sets the amounts presented in section 3 of Appendix B for both unparished and parished areas as its Aggregate Council Tax Requirement (including South Yorkshire Police and Crime Commissioner and Fire and Rescue Authority Precepts) for the year 2016/17; and**
- **Determines, that, in accordance with the principles determined by the Secretary of State and set out in the Referendums Relating to Council Tax Increases (Principles) (England) Report 2016/17, that Rotherham Metropolitan Borough Council's relevant basic amount of Council Tax for the year 2016/17 as defined by Section 41 of the Local Audit and Accountability Act 2014 is not excessive.**

## 2. Background

2.1 Commissioners and Members of Cabinet have previously considered the proposed 2016/17 Budget at a meeting of the Cabinet on 23rd February 2016 and the Council Tax Base for parished and unparished areas was agreed at the Council meeting held on 27th January 2016. Since 2012/13 the Localism Act 2011 has required Billing Authorities like the Council to calculate a **"Council Tax Requirement"-** for the financial year 2016/17 this is Gross Expenditure less Gross Income – the excess of expenditure over income being the Council Tax Requirement. The deadline for the Council to determine its Council Tax remains 10th March 2016 and the Council must set Council Tax levels for both the parished and unparished areas of the Borough for each Council Tax Band -A to

H, taking into account the Precepts from both the South Yorkshire Police and Crime Commissioner and the Fire and Rescue Authority.

2.2 In addition to determining their Council Tax Requirement, authorities are required to seek the approval of their local electorate if they set Council Tax increases in excess of the Referendum Principles set out by the Secretary of State and approved by Parliament. In the Council's case for 2016/17 as an authority with responsibility for Adult Social Care, this means a "Core Principle" of 2% plus an additional 2% for an Adult Social Care "precept" meaning that a Council Tax increase for 2016/17 **of 4.0% or more** in the Council's relevant basic amount of Council Tax, (a figure, excluding Parish Precepts issued to the authority) would be excessive. The Council's proposed Council Tax of £1,328.20 (including an Adult Social Care "precept" of £25.55) **does not exceed those principles** and paragraph 6 of the tax setting resolution attached at Appendix A addresses this issue.

2.3 The South Yorkshire Police and Crime Commissioner and Fire and Rescue Authority are also subject to the requirement to hold a referendum but, at present, local precepting authorities such as Town and Parish Councils are excluded, although their status may be subject to review in future years.

## 3. Key Issues

**3.1 Government Funding -** 2016/17 will be the fourth year of the Localisation of Business Rates. Under this regime, the Council retains just under half (49%) of the Business Rates it collects – 50% will be passed to Central Government and the remaining 1% is passed to the South Yorkshire Fire and Rescue Authority. The Council also receives Business Rates Top-Up Grant and Revenue Support Grant (RSG), as part of its Settlement Funding Assessment (SFA) which still takes account of relative needs in the same way as in previous years. The Settlement figures include the Government's estimate of the Council's retained Business Rates Income, and in determining Council Tax the Council will substitute its own estimate of retained Business Rates funding, for 2016/17 the difference between the Government's and the Council's estimate is only £8k (the Government estimate was £35.938m and Rotherham's £35.930m).

**The Council's Settlement Funding Assessment (SFA) is set out in the table below:**

| | **£'000** |
|---|---|
| Revenue Support Grant (RSG) | 39,405 |
| Retained Business Rates | 35,930 |
| Business Rates Top Up | 22,817 |
| | |
| **Total Settlement Funding Assessment for 2016/17** | **98,152** |

3.2 In addition to the SFA, the Council will receive £8.181m of other non-ringfenced grants which are available to support the Budget in 2016/17. This brings the total of non-ringfenced grant for 2016/17 to £106.333m.

3.3 **Proposed Council Tax Increase and Referendums**
The Council is proposing to increase its own Council Tax (i.e. excluding the Parish, Fire Authority and Police and Crime Commissioner's precepts) by 3.95% in 2016/17 as compared to its Tax for 2015/16. This increase is composed of two elements:

- A 1.95% increase contributing to the Council's overall Budget position (the core referendum principle); and

- A further 2% increase specifically in relation to Adult Social Care (ASC) Services. This additional flexibility in relation to Referendum Thresholds was announced in the Autumn Statement 2015 and was confirmed in the Council Tax Referendum Principles 2016/17, which were approved by Parliament in February 2016.

3.4 In Rotherham's case the 2% ASC precept will raise £1.716m and will add £25.55 to a Band D Tax Bill as set out in section 3.11 below.

3.5 As requested by the Secretary of State, the Council's Section 151 Officer has already in January this year indicated that the Council is minded to take up the 2% flexibility and has set out in the Budget Report considered by Commissioners and Advisory Cabinet on 23rd February how the 2% ASC precept will be used to support the Adult Social Care services' budget in 2016/17.

3.6 As part of the additional flexibility in relation to Adult Social Care services within referendum thresholds, authorities are required to provide additional information on the use of this "precept" both with Council Tax Bills and to the DCLG. The Secretary of State has issued a Notice under Section 52ZY of the Local Government Finance Act 1992 requiring Section 151 officers in ASC authorities to confirm that money raised through the precept is being used exclusively for Adult Social Care. In subsequent years of this Parliament, Section 151 officers will be required to confirm that this additional Council Tax **continues** to be

allocated to Adult Social Care. The Council Tax Requirement (CTR) Return which has to be submitted annually with details of the Council Tax set has also been modified by the DCLG to include details of ASC "precepts".

3.7 Regulations also require that the Adult Social Care "precept" is shown either as a separate line or as a separate percentage on the face of the Council Tax Bills. The Tax Bill will also state "The Council Tax attributable to Rotherham MBC includes a precept to fund adult social care" the form of words having been proscribed by the Secretary of State. The Council Tax Information Leaflet published with Bills, will also be required to include set words referring to the Adult Social Care precept. Work is in progress with the Council's billing software provider to ensure that these requirements are met.

3.8 It is now necessary to agree the Council's Net Revenue Budget of **£199.521m** for 2016/17 after allowing for Specific Grants and other Income which will be financed as follows:-

| | £'000 |
|---|---|
| Settlement Funding Assessment | 98,152 |
| New Homes Bonus | 6,099 |
| Section 31 Grants etc. | 2,082 |
| Collection Fund Surplus | 4,000 |
| | |
| **Total** | **110,333** |

**Which will leave £89.188m to be raised in Council Tax.** This equates to a Band D Council Tax for the Borough of £1,328.20, an increase of 3.95% in the Council Tax levied in 2015/16 and which is within the limits set out in the Government's Referendum Principles for 2016/17.

3.9 **Parishes**:- 28 of the 30 Parish and Town Councils and Parish Meetings within Rotherham's boundaries have set precepts for 2016/17 totalling £2,389,549 which will be added to the Net Revenue Budget and Council Tax Requirement in the Council Tax Calculations. Parish precepts are added to the Borough's Council Tax to give an average Council Tax in Rotherham of £1,363.79 (that is RMBC Band D Tax of £1,328.20 plus average parish precept of £35.59.)

**3.10** **South Yorkshire Authorities** – Police and Crime Commissioners in areas that have historically kept Council Tax low, including the South Yorkshire Police and Crime Commissioner, have been offered greater flexibility in the Referendum rules permitting them to increase their Band D Council Tax by £5 per annum rather than the current 2% Referendum Threshold. The Budget proposals of the South Yorkshire Police and Crime Commissioner (which will be approved on 25th February 2016) indicate that this flexibility will be used and that the Commissioner's Band D Council Tax has been increased by £5 or 3.37% with corresponding increases in other tax bands – this however will not be confirmed until the 26th February. The Council has also received details of the Fire and

Rescue Authority Council Tax which has been increased by 1.975% to £67.63 for a Band D property.

**3.11** Accordingly, Members are asked to approve the financing of the Council's Budget (as reported in section 3.8 of this report) and to pass a resolution as set out at Appendix A. If this resolution is approved the total unparished Band D Council Tax will be as follows:

| | **2015/16 £** | **2016/17 £** | **% Change** |
|---|---|---|---|
| **Rotherham MBC** | **1,277.73** | **1,302.65** | **1.95%** |
| **2% Adult Social Care Precept** | | **25.55** | **2.00%** |
| **Rotherham MBC** | **1,277.73** | **1,328.20** | **3.95%** |
| | | | |
| **South Yorkshire Police and Crime Commissioner** (to be confirmed) | **148.16** | **153.16** | **3.37%** |
| **South Yorkshire Fire and Rescue Authority** | **66.32** | **67.63** | **1.975%** |
| | | | |
| **TOTAL** | **1,492.21** | **1,548.99** | **3.81%** |

The above figures show that the increase in the total Council Tax payable in the unparished areas of the Borough including the increases in the Police and Fire and Rescue precepts of 3.37% and 1.975% respectively is £56.78 or 3.81% in 2016/17.

## 4. Options considered and recommended proposals

4.1 Both the increase in Rotherham's Council Tax of 1.95% and the use of the further 2% flexibility offered by the Adult Social Care "precept" has been carefully considered due to the impact on Council Tax payers of the increase. The "core" 1.95% increase in the Basic Council Tax was reflected in the Council's Outline Medium Term Financial Strategy (MTFS), which was approved by full Council on December 9th 2015.

4.2 The further Council Tax increase of 2% in relation to Adult Social Care was considered in the 2016/17 Revenue Budget Report submitted to Cabinet Meeting on February 23rd. It should also be noted that use of the additional flexibility will be monitored by the Secretary of State and authorities' actions will be taken into account in determining referendum principles each year and in allocating Better Care Fund Resources. However, the levying of additional Adult Social Care "precept" in subsequent years remains a matter for the Council to decide locally.

## 5. Consultation

5.1 The Council Tax level has been a key element of the 2016/17 Budget proposals which have been the subject of extensive public and partner consultation and the

Budget process has been closely monitored, reviewed and challenged by the Council's Overview and Scrutiny Management Board (OSMB).

## 6. Timetable and Accountability for Implementing this Decision

6.1 The Council must set its Council Tax by 10th March and must confirm to the DCLG its Council Tax level within 7 days of this by means of the Council Tax Requirement (CTR) form. Additionally, as the Council will be levying an Adult Social Care "precept" authorities must confirm the level of their average Band D Council Tax increase (excluding parish precepts), for 2016/17 and the proportion of it attributable to funding for Adult Social Care on the form.

6.2 As required by the Secretary of State, the Council's Section 151 Officer must confirm that money raised through the precept is being used exclusively for Adult Social Care.

6.3 Council Tax Bills must show details of the Council Tax increase and the Adult Social Care "precept" and the information published with Bills (the Council Tax leaflet – which is now published on-line) must set out the Council's Budget proposals and the ASC "precept".

## 7. Financial and Procurement Implications

7.1 Council Tax income represents a significant proportion of the Council's resources for the coming financial year. The proposals include a 3.95% increase in Council Tax for the unparished parts of the Borough to which will be added the precepts of the South Yorkshire Police and Crime Commissioner and Fire and Rescue Authority and Parish Precepts in those areas where they apply. This will support a General Fund Revenue Budget for the Council of £199.521m

## 8. Legal Implications

8.1 The Council is required to set its Council Tax in accordance with the Local Government Finance Act 1992 and in doing so set its 2016/17 budget, by no later than 10th March 2016. The Calculation of the Council Tax as set out in this report is in compliance with the relevant Regulations.

8.2 In coming to decisions in relation to the Revenue Budget and Council Tax, the Council has various legal and fiduciary duties. The Council is required by the Local Government Act 1992 to make specific estimates of gross revenue expenditure and anticipated income leading to the calculation of the Council Tax requirement and the setting of the overall budget and Council Tax. The Council Tax requirement must be sufficient to meet the Council's legal and financial commitments, ensure the proper discharge of its statutory duties and lead to a balanced budget.

8.3 In exercising its fiduciary duty the Council should be satisfied that the proposals put forward are a prudent use of the Authority's resources in both the short and long term; that the proposals strike a fair balance between the interests of

Council Tax payers and ratepayers on the one hand and the community's interests in adequate and efficient services on the other; and that they are acting in good faith for the benefit of the community whilst complying with all statutory duties. Officers have addressed the duty to strike a fair balance between different elements of the community and the interests of Council Tax and Business Rate payers in developing the budget proposals set out in this report.

**9. Human Resources Implications**

9.1 None directly from this report

**10. Implications for Children and Young People and Vulnerable Adults**

10.1 None directly from this report

**11 Equalities and Human Rights Implications**

11.1 In preparing its MTFS and Budget, including Council Tax levels, the Council must be mindful of the potential impact on service users. Section 149 of the Equality Act 2010 in particular imposes an obligation on Members to have due regard to protecting and promoting the welfare and interests of persons who share a relevant protected characteristic.

**12. Implications for Partners and Other Directorates**

12.1 In setting the Council Tax payable in the Borough for 2016/17 Rotherham Council must take into account the precepts charged by the two Major Precepting Bodies in South Yorkshire – the Police and Crime Commissioner and South Yorkshire Fire and Rescue Authority and the precepts charged by the 30 Parish and Town Councils within the Borough. The Council collects Council Tax on behalf of these organisations.

**13. Risks and Mitigation**

13.1 Although all budgets involve risks, the Council's budget process has been reviewed and redesigned to minimise the incidence and impact of any budget risks. However, since April 2013 significant financial risks have been transferred from Central Government to local authorities by the Localisation of Business Rates and the introduction of the Council Tax Reduction Scheme. This transfer could put pressure on Council Tax collection rates which will have a direct impact on future resources available to the Council. In Rotherham we have a strong track record of collecting both business rates and Council Tax income and it is considered that the collection level assumptions included in setting this budget adequately reflect this increase in risk.

**14. Accountable Officer(s) Stuart Booth Acting Strategic Director of Finance and Corporate Services:-**

Approvals Obtained from:-

Interim Strategic Director of Finance and Corporate Services:-Stuart Booth

Director of Legal Services:-Stuart Fletcher

Head of Procurement (if appropriate):- Not Applicable

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http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=

**Appendix A Council Tax Calculations**

**The Council is recommended to resolve:**

**1.** It be noted that at its meeting on 27th January 2016 (minute C117) the Council calculated the Council Tax Base 2016/17:

**a.** For the whole Council area as 67,149.57 Band D Equivalent properties (Item T in the formula in Section 31B of the Local Government Finance Act 1992 as amended (the Act)).

**b.** For dwellings in those parts of its area to which a Parish Precept relates as set out in the table below:

| **Parished Areas** | Tax Base | Total Precept (£) |
|---|---|---|
| **Parish Council/Meeting** | **A** | **B** |
| Anston | 2,823.90 | 262,750 |
| Aston-cum-Aughton | 4,174.58 | 256,904 |
| Bramley | 2,267.36 | 115,516 |
| Brampton Bierlow | 1,224.22 | 64,782 |
| Brinsworth | 2,303.47 | 225,222 |
| Catcliffe | 585.51 | 58,586 |
| Dalton | 2,398.29 | 136,000 |
| Dinnington St John's | 2,246.51 | 178,146 |
| Firbeck | 135.40 | 7,500 |
| Gildingwells | 40.82 | - |
| Harthill with Woodall | 623.55 | 42,305 |
| Hellaby | 239.92 | 8,803 |
| Hooton Levitt | 51.86 | - |
| Hooton Roberts | 81.82 | 1,600 |
| Laughton-en-le-Morthen | 433.45 | 22,034 |
| Letwell | 66.58 | 1,778 |
| Maltby | 3,967.32 | 183,700 |
| Orgreave | 543.41 | 20,650 |
| Ravenfield | 1,008.45 | 38,025 |
| Thorpe Salvin | 199.64 | 8,026 |

| | | |
|---|---|---|
| Thrybergh | 805.97 | 57,766 |
| Thurcroft | 1,952.45 | 151,373 |
| Todwick | 641.12 | 42,925 |
| Treeton | 841.84 | 53,000 |
| Ulley | 65.51 | 6,213 |
| Wales | 1,977.89 | 149,232 |
| Wentworth | 547.41 | 17,284 |
| Whiston | 1,452.06 | 71,650 |
| Wickersley | 2,606.33 | 147,940 |
| Woodsetts | 589.37 | 59,839 |
| **TOTAL** | **36,896.01** | **2,389,549** |

**2.** Council Tax requirement for the Council's own purposes
The calculation of the that the Council Tax Requirement for the Council's own purposes for 2016/17 (excluding Parish Precepts), as outlined in the Budget Report to Cabinet Meeting on February 23rd, is **£89,188,081.**

**3.** That the following amounts be calculated for the year 2016/17 in accordance with sections 31 to 36 of the Act.

**a.** **£201,910,549** being the net aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils (£2,389,549) (Gross Council Expenditure less income and Specific Grants other than the Business Rates Retention Scheme, Settlement Funding Assessment Grants and other non-ringfenced grants

**b.** **£106,332,919** being the aggregate of the amounts which the Council estimates will be payable for the year into its General Fund in respect of the Business Rates Retention Scheme, Settlement Funding Assessment grants and other non-ringfenced grants, set out in 31A (3) of the Act.

**c.** **£4,000,000** being the amount which the Council estimates will be payable in the year from its Collection Fund to its General Fund in accordance with section 97(3) of the Local Government Finance Act 1988 (Council Tax Balance).

**d.** **£91,577,630** being the amount by which the aggregate at 3a above exceeds the aggregate of 3b and 3c above , calculated by the Council in accordance with section 31A(4) of the Act as its Council Tax requirement for the year (Item R in the formula in section 31B of the Act).

e. **£1,363.7858** being the amount at 3d above (Item R divided by Item T 1a above) calculated by the Council in accordance with section 31B of the Act as the relevant basic amount of its Council Tax for the year (including Parish Precepts).

f. **2,389,549** being the aggregate amount of all special items (Parish Precepts) referred to in Section 34(1) of the Act as per section 1b above.

g. **£1,328.2003** being the amount at 3e above less the result given by dividing the amount at 3f above by the figure at 1a above (item T in the formula in Section 31B (1) of the Act calculated by the Council in accordance with Section 34(2) of the Act, as the relevant basic amount of its Council Tax for the year for dwellings in those parts of its area to which no parish precept relates. (Band D Council Tax for Rotherham MBC services).

h. The following amounts be calculated by the Council as the relevant basic amounts of Council Tax for the year for dwellings in those parts of its area to which one or more special items relate, being the amounts given by adding the amount at 3g above to the amount of the special items in appendix B section 1, in accordance with Section 34(3) of the Act:

| **Parished Areas** | £ |
|---|---|
| Anston | 1,421.25 |
| Aston-cum-Aughton | 1,389.74 |
| Bramley | 1,379.15 |
| Brampton Bierlow | 1,381.12 |
| Brinsworth | 1,425.98 |
| Catcliffe | 1,428.26 |
| Dalton | 1,384.91 |
| Dinnington St. John's | 1,407.50 |
| Firbeck | 1,383.59 |
| Gildingwells | 1,328.20 |
| Harthill with Woodall | 1,396.05 |
| Hellaby | 1,364.89 |
| Hooton Levitt | 1,328.20 |
| Hooton Roberts | 1,347.76 |

| | |
|---|---|
| Laughton-en-le-Morthen | 1,379.03 |
| Letwell | 1,354.90 |
| Maltby | 1,374.50 |
| Orgreave | 1,366.20 |
| Ravenfield | 1,365.91 |
| Thorpe Salvin | 1,368.40 |
| Thrybergh | 1,399.87 |
| Thurcroft | 1,405.73 |
| Todwick | 1,395.15 |
| Treeton | 1,391.16 |
| Ulley | 1,423.04 |
| Wales | 1,403.65 |
| Wentworth | 1,359.77 |
| Whiston | 1,377.54 |
| Wickersley | 1,384.96 |
| Woodsetts | 1,429.73 |

**5** To note that both the South Yorkshire Police and Crime Commissioner and the Fire and Rescue Authority have issued Precepts to the Council in accordance with Section 40 of the Local Government Finance Act for each category of dwellings in the Council's area as indicated in the table below, and that the Council in accordance with Sections 30 to 36 of the Local Government Finance Act 1992, hereby sets the aggregate Council Tax Requirement for unparished areas (rounded to the nearest penny) shown in the table below and in Appendix B (for those parts of its area to which one or more special items relate) as the amounts of Council Tax for 2016/17 for each part of its area and for each of the categories of dwellings.

| **Tax Band** | **A** | **B** | **C** | **D** | **E** | **F** | **G** | **H** |
|---|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Rotherham Metropolitan Borough Council | 868.43 | 1,013.17 | 1,157.91 | 1,302.65 | 1,592.12 | 1,881.60 | 2,171.08 | 2,605.29 |
| Adult Social Care Precept | 17.04 | 19.88 | 22.72 | 25.55 | 31.23 | 36.91 | 42.59 | 51.11 |
| **Total for Rotherham Metropolitan Borough Council only** | **885.47** | **1,033.05** | **1,180.63** | **1,328.20** | **1,623.35** | **1,918.51** | **2,213.67** | **2,656.40** |
| | | | | | | | | |
| South Yorkshire Police & Crime Commissioner (To be confirmed) | 102.11 | 119.12 | 136.14 | 153.16 | 187.20 | 221.23 | 255.27 | 306.32 |
| | | | | | | | | |
| South Yorkshire Fire & Rescue Authority | 45.09 | 52.60 | 60.12 | 67.63 | 82.66 | 97.69 | 112.72 | 135.26 |
| **Aggregate Council Tax Requirement (unparished areas)** | **1,032.67** | **1,204.77** | **1,376.89** | **1,548.99** | **1,893.21** | **2,237.43** | **2,581.66** | **3,097.98** |

**6**. That, in accordance with the principles determined by the Secretary of State and set out in the Referendums Relating to Council Tax Increases (Principles) (England) Report 2016/17, it be determined that Rotherham Metropolitan Borough Council's relevant basic amount of Council Tax for the year 2016/17 (as defined by Section 52ZX of the 1992 Local Government Finance Act as amended by section 41 of the Local Audit and Accountability Act 2014) **is not excessive**.

**Appendix B – Council Tax Requirement for Parished Areas**

## 1. Basic Amount of Council Tax by Band for Parished Areas

The amounts below being the amounts shown in Appendix A section 3(h) as the relevant basic amount of Council Tax for the year for dwellings in those parts of the Council's area to which Parish Precepts relate and the amount at Appendix A 3g (the relevant basic amount of Council Tax including Adult Social Care "precept" for those parts the Council's areas to which no parish precepts relate), then multiplied by the number which, in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, (rounded to the nearest penny) calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

| **Tax Band** | **A** | **B** | **C** | **D** | **E** | **F** | **G** | **H** |
|---|---|---|---|---|---|---|---|---|
| **Parished Areas** | £ | £ | £ | £ | £ | £ | £ | £ |
| Anston | 947.50 | 1,105.42 | 1,263.34 | 1,421.25 | 1,737.08 | 2,052.92 | 2,368.75 | 2,842.50 |
| Aston-cum-Aughton | 926.50 | 1,080.91 | 1,235.33 | 1,389.74 | 1,698.57 | 2,007.40 | 2,316.24 | 2,779.48 |
| Bramley | 919.44 | 1,072.68 | 1,225.92 | 1,379.15 | 1,685.62 | 1,992.10 | 2,298.59 | 2,758.30 |
| Brampton Bierlow | 920.75 | 1,074.21 | 1,227.67 | 1,381.12 | 1,688.03 | 1,994.95 | 2,301.87 | 2,762.24 |
| Brinsworth | 950.66 | 1,109.10 | 1,267.55 | 1,425.98 | 1,742.86 | 2,059.75 | 2,376.64 | 2,851.96 |
| Catcliffe | 952.18 | 1,110.87 | 1,269.57 | 1,428.26 | 1,745.65 | 2,063.04 | 2,380.44 | 2,856.52 |
| Dalton | 923.28 | 1,077.16 | 1,231.04 | 1,384.91 | 1,692.66 | 2,000.42 | 2,308.19 | 2,769.82 |
| Dinnington St John's | 938.34 | 1,094.73 | 1,251.12 | 1,407.50 | 1,720.27 | 2,033.05 | 2,345.84 | 2,815.00 |
| Firbeck | 922.40 | 1,076.13 | 1,229.87 | 1,383.59 | 1,691.05 | 1,998.52 | 2,305.99 | 2,767.18 |
| Gildingwells | 885.47 | 1,033.05 | 1,180.63 | 1,328.20 | 1,623.35 | 1,918.51 | 2,213.67 | 2,656.40 |
| Harthill with Woodall | 930.70 | 1,085.82 | 1,240.94 | 1,396.05 | 1,706.28 | 2,016.52 | 2,326.75 | 2,792.10 |
| Hellaby | 909.93 | 1,061.59 | 1,213.24 | 1,364.89 | 1,668.19 | 1,971.51 | 2,274.82 | 2,729.78 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Hooton Levitt | 885.47 | 1,033.05 | 1,180.63 | 1,328.20 | 1,623.35 | 1,918.51 | 2,213.67 | 2,656.40 |
| Hooton Roberts | 898.51 | 1,048.26 | 1,198.02 | 1,347.76 | 1,647.26 | 1,946.76 | 2,246.27 | 2,695.52 |
| Laughton-en-le-Morthen | 919.36 | 1,072.58 | 1,225.81 | 1,379.03 | 1,685.48 | 1,991.93 | 2,298.39 | 2,758.06 |
| Letwell | 903.27 | 1,053.82 | 1,204.36 | 1,354.90 | 1,655.98 | 1,957.08 | 2,258.17 | 2,709.80 |
| Maltby | 916.34 | 1,069.06 | 1,221.79 | 1,374.50 | 1,679.94 | 1,985.39 | 2,290.84 | 2,749.00 |
| Orgreave | 910.80 | 1,062.61 | 1,214.41 | 1,366.20 | 1,669.79 | 1,973.40 | 2,277.00 | 2,732.40 |
| Ravenfield | 910.61 | 1,062.38 | 1,214.15 | 1,365.91 | 1,669.44 | 1,972.98 | 2,276.52 | 2,731.82 |
| Thorpe Salvin | 912.27 | 1,064.32 | 1,216.36 | 1,368.40 | 1,672.48 | 1,976.58 | 2,280.67 | 2,736.80 |
| Thrybergh | 933.25 | 1,088.79 | 1,244.34 | 1,399.87 | 1,710.95 | 2,022.03 | 2,333.12 | 2,799.74 |
| Thurcroft | 937.16 | 1,093.35 | 1,249.55 | 1,405.73 | 1,718.11 | 2,030.50 | 2,342.89 | 2,811.46 |
| Todwick | 930.10 | 1,085.12 | 1,240.14 | 1,395.15 | 1,705.18 | 2,015.22 | 2,325.25 | 2,790.30 |
| Treeton | 927.44 | 1,082.02 | 1,236.59 | 1,391.16 | 1,700.30 | 2,009.45 | 2,318.60 | 2,782.32 |
| Ulley | 948.70 | 1,106.81 | 1,264.93 | 1,423.04 | 1,739.27 | 2,055.50 | 2,371.74 | 2,846.08 |
| Wales | 935.77 | 1,091.73 | 1,247.70 | 1,403.65 | 1,715.57 | 2,027.49 | 2,339.42 | 2,807.30 |
| Wentworth | 906.52 | 1,057.60 | 1,208.69 | 1,359.77 | 1,661.94 | 1,964.11 | 2,266.29 | 2,719.54 |
| Whiston | 918.36 | 1,071.43 | 1,224.49 | 1,377.54 | 1,683.65 | 1,989.78 | 2,295.90 | 2,755.08 |
| Wickersley | 923.31 | 1,077.20 | 1,231.08 | 1,384.96 | 1,692.72 | 2,000.50 | 2,308.27 | 2,769.92 |
| Woodsetts | 953.16 | 1,112.02 | 1,270.88 | 1,429.73 | 1,747.44 | 2,065.16 | 2,382.89 | 2,859.46 |

2. **South Yorkshire Precepts**

The South Yorkshire Police and Crime Commissioner and Fire and Rescue Authority have stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act for each of the categories of dwelling.

| **Tax Band** | **A** | **B** | **C** | **D** | **E** | **F** | **G** | **H** |
|---|---|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| **South Yorkshire Police & Crime Commissioner** (to be confirmed) | 102.11 | 119.12 | 136.14 | 153.16 | 187.20 | 221.23 | 255.27 | 306.32 |
| **South Yorkshire Fire & Rescue Authority** | 45.09 | 52.60 | 60.12 | 67.63 | 82.66 | 97.69 | 112.72 | 135.26 |

3. **Aggregate Council Tax Requirements**

The amounts shown in the table below are set by the Council in accordance Sections 30 to 36 of the Local Government Finance Act 1992, as the aggregate Council Tax Requirement for those parts of its area to which one or more special items relate as the amounts of Council Tax for 2016/17 for each of the categories of dwellings.

| **Tax Band** | **A** | **B** | **C** | **D** | **E** | **F** | **G** | **H** |
|---|---|---|---|---|---|---|---|---|
| **Aggregate Council Tax Parished Areas** | £ | £ | £ | £ | £ | £ | £ | £ |
| Anston | 1,094.70 | 1,277.14 | 1,459.60 | 1,642.04 | 2,006.94 | 2,371.84 | 2,736.74 | 3,284.08 |
| Aston-cum-Aughton | 1,073.70 | 1,252.63 | 1,431.59 | 1,610.53 | 1,968.43 | 2,326.32 | 2,684.23 | 3,221.06 |
| Bramley | 1,066.64 | 1,244.40 | 1,422.18 | 1,599.94 | 1,955.48 | 2,311.02 | 2,666.58 | 3,199.88 |
| Brampton Bierlow | 1,067.95 | 1,245.93 | 1,423.93 | 1,601.91 | 1,957.89 | 2,313.87 | 2,669.86 | 3,203.82 |
| Brinsworth | 1,097.86 | 1,280.82 | 1,463.81 | 1,646.77 | 2,012.72 | 2,378.67 | 2,744.63 | 3,293.54 |
| Catcliffe | 1,099.38 | 1,282.59 | 1,465.83 | 1,649.05 | 2,015.51 | 2,381.96 | 2,748.43 | 3,298.10 |
| Dalton | 1,070.48 | 1,248.88 | 1,427.30 | 1,605.70 | 1,962.52 | 2,319.34 | 2,676.18 | 3,211.40 |
| Dinnington St John's | 1,085.54 | 1,266.45 | 1,447.38 | 1,628.29 | 1,990.13 | 2,351.97 | 2,713.83 | 3,256.58 |
| Firbeck | 1,069.60 | 1,247.85 | 1,426.13 | 1,604.38 | 1,960.91 | 2,317.44 | 2,673.98 | 3,208.76 |
| Gildingwells | 1,032.67 | 1,204.77 | 1,376.89 | 1,548.99 | 1,893.21 | 2,237.43 | 2,581.66 | 3,097.98 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Harthill with Woodall | 1,077.90 | 1,257.54 | 1,437.20 | 1,616.84 | 1,976.14 | 2,335.44 | 2,694.74 | 3,233.68 |
| Hellaby | 1,057.13 | 1,233.31 | 1,409.50 | 1,585.68 | 1,938.05 | 2,290.43 | 2,642.81 | 3,171.36 |
| Hooton Levitt | 1,032.67 | 1,204.77 | 1,376.89 | 1,548.99 | 1,893.21 | 2,237.43 | 2,581.66 | 3,097.98 |
| Hooton Roberts | 1,045.71 | 1,219.98 | 1,394.28 | 1,568.55 | 1,917.12 | 2,265.68 | 2,614.26 | 3,137.10 |
| Laughton-en-le-Morthen | 1,066.56 | 1,244.30 | 1,422.07 | 1,599.82 | 1,955.34 | 2,310.85 | 2,666.38 | 3,199.64 |
| Letwell | 1,050.47 | 1,225.54 | 1,400.62 | 1,575.69 | 1,925.84 | 2,276.00 | 2,626.16 | 3,151.38 |
| Maltby | 1,063.54 | 1,240.78 | 1,418.05 | 1,595.29 | 1,949.80 | 2,304.31 | 2,658.83 | 3,190.58 |
| Orgreave | 1,058.00 | 1,234.33 | 1,410.67 | 1,586.99 | 1,939.65 | 2,292.32 | 2,644.99 | 3,173.98 |
| Ravenfield | 1,057.81 | 1,234.10 | 1,410.41 | 1,586.70 | 1,939.30 | 2,291.90 | 2,644.51 | 3,173.40 |
| Thorpe Salvin | 1,059.47 | 1,236.04 | 1,412.62 | 1,589.19 | 1,942.34 | 2,295.50 | 2,648.66 | 3,178.38 |
| Thrybergh | 1,080.45 | 1,260.51 | 1,440.60 | 1,620.66 | 1,980.81 | 2,340.95 | 2,701.11 | 3,241.32 |
| Thurcroft | 1,084.36 | 1,265.07 | 1,445.81 | 1,626.52 | 1,987.97 | 2,349.42 | 2,710.88 | 3,253.04 |
| Todwick | 1,077.30 | 1,256.84 | 1,436.40 | 1,615.94 | 1,975.04 | 2,334.14 | 2,693.24 | 3,231.88 |
| Treeton | 1,074.64 | 1,253.74 | 1,432.85 | 1,611.95 | 1,970.16 | 2,328.37 | 2,686.59 | 3,223.90 |
| Ulley | 1,095.90 | 1,278.53 | 1,461.19 | 1,643.83 | 2,009.13 | 2,374.42 | 2,739.73 | 3,287.66 |
| Wales | 1,082.97 | 1,263.45 | 1,443.96 | 1,624.44 | 1,985.43 | 2,346.41 | 2,707.41 | 3,248.88 |
| Wentworth | 1,053.72 | 1,229.32 | 1,404.95 | 1,580.56 | 1,931.80 | 2,283.03 | 2,634.28 | 3,161.12 |
| Whiston | 1,065.56 | 1,243.15 | 1,420.75 | 1,598.33 | 1,953.51 | 2,308.70 | 2,663.89 | 3,196.66 |
| Wickersley | 1,070.51 | 1,248.92 | 1,427.34 | 1,605.75 | 1,962.58 | 2,319.42 | 2,676.26 | 3,211.50 |
| Woodsetts | 1,100.36 | 1,283.74 | 1,467.14 | 1,650.52 | 2,017.30 | 2,384.08 | 2,750.88 | 3,301.04 |

Agenda Item 11

Rotherham Metropolitan Borough Council

Public Report

**Summary Sheet**

**Council Report**

Council – 2nd March, 2016

**Title**

Capital Programme Budget Setting Report - 2016/17 to 2020/21

**Is this a Key Decision and has it been included on the Forward Plan?**

Yes, included on the Forward Plan

**Strategic Director Approving Submission of the Report**

Stuart Booth – Acting Strategic Director of Finance and Corporate Services

**Report Author(s)**

Jon Baggaley – Finance Manager, Financial Services.

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**Ward(s) Affected**

All

**Executive Summary**

The purpose of this report is to present the Council's new Capital Strategy and the proposed Capital Programme for the period 2016/17 to 2020/21 and to confirm that there are adequate levels of resources available to finance the Capital Programme.

Formal approval by full Council is being sought.

The Capital Strategy and proposed Capital Programme 2016/17 to 2020/21, which sets out the Council's future capital investment plans, will ensure that investment decisions are clearly aligned with the Council's strategic priorities and vision for Rotherham.

**Recommendations**

**That Council:-**

**Approve the new Capital Strategy, as presented in Appendix A and Capital Programme, as presented in Appendix B (for £279.095m in the period 2016/17 to 2020/21), which will require prudential borrowing of £53.602m to fund non-HRA schemes over the five year period, for which provision has been made in the revenue budget for the associated financing costs.**

**List of Appendices Included**

Appendix A – Capital Strategy
Appendix B – Capital Programme 2016/17 to 2020/21
Appendix C – Development Pool Projects

**Background Papers**

Report to SLT – 21st July 2015

Report to SLT – 16th September 2015

Report to SLT – 19th January 2016

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**

Yes – full Council

**Council Approval Required**

Yes

**Exempt from the Press and Public**

No

**Title**

**Capital Programme Budget Setting Report - 2016/17 to 2020/21**

## 1. Recommendations

**That Council:-**

**Approve the new Capital Strategy, as presented in Appendix A and Capital Programme, as presented in Appendix B (for £279.095m in the period 2016/17 to 2020/21), which will require prudential borrowing of £53.602m to fund non-HRA schemes over the five year period, for which provision has been made in the revenue budget for the associated financing costs.**

## 2. Strategic Context

2.1 The Council is embarking on an ambitious transformation to address the serious failures identified by Professor Jay's independent enquiry into Child Sexual Exploitation, and DCLG's subsequent corporate governance inspection into the Council.

2.2 Significant progress is already happening. The Council has a new vision, a clear set of priorities and comprehensive improvement plans – one for the Council as a whole and one for Children's Services specifically, which are driving forward change across the Council.

2.3 The new Vision is a reflection of the extensive consultation held with Rotherham people, partner organisations and businesses over the Summer 2015.

"*Rotherham is our home, where we come together as one community, where we seek to draw on our proud history to build a future we can all share. We value decency and dignity and seek to build a town where opportunity is extended to everyone, where people can grow, flourish and prosper, and where no one is left behind.*

*To achieve this as a Council we must work in a modern, efficient way, to deliver sustainable services in partnership with our local neighbourhoods, looking outwards, yet focussed relentlessly on the needs of our residents."*

This new vision will underpin the Council's new Corporate Plan, its Growth Plan and its new Medium Term Financial Strategy.

2.4 There is significant growth potential in the Borough and the wider Sheffield City Region. Restoring business confidence and making Rotherham a place for 'doing business' will help attract much needed inward investment and will

be integral to Rotherham's future economic ambition. Rotherham has ambitious targets in the Local Plan for new housing, with a need for 958 new homes a year. We also have a jobs target of 1,000 a year and 750 net new businesses over the next 5 years. This correlates to the growth ambitions set out in the Sheffield City Region (SCR) Strategic Economic Plan. This level of housing and economic growth will require a step change in the amount of investment made in growing the Rotherham economy.

2.5 The Council also has a major role to play in helping drive this growth and enterprise, both as a facilitator and also in terms of a potential deliverer, as a major land and property owner. The Council working with the SCR, through the proposed devolution deal, will now be in a fairly unique position to drive growth and investment in the region. The Council will look to maximise the opportunities created through the devolution agreement, alongside the proposed Capital Strategy 2016 to 2021 (Appendix A), to connect residents and businesses with skills and employment opportunities and support the investment in our Town Centre, housing and in transportation and highways infrastructure.

2.6 The challenge for the future is to drive transformation, to help define Rotherham as an attractive place to live, further improve the quality of life for all residents, increase their overall social and economic prospects and enable them to participate fully in the life of the Town. Important to the delivery of these aspirations for the Town will be:

- To support, promote and drive the role and continuing growth of the town centre and Borough as a city region driver, as a focus for employment growth, through a strengthening and diversification of its economic base. This will be complemented through the ongoing development of the Advanced Manufacturing Park and the establishment of an Advanced Manufacturing Innovation District.
- To support investment in highways infrastructure, which will see £73.258m of investment in projects between now and 2021, which will help connect people to jobs, education, shopping, recreation and services.
- Realising the ambition to improve the Town Centre offer, making it an attractive place for people to live, work, shop and enjoy their leisure time.
- The delivery of housing, both to improve existing Council housing and to facilitate the provision of new housing in the Borough, through major developments such as Waverley and Bassingthorpe Farm, in order to meet regional housing demand.

2.7 The development of the Capital Strategy and the detailed Capital Programme stems from the priorities outlined above and sets out the

process by which the Council will allocate its finite capital resources, to maximise their contribution to the delivery of the Council's Vision and priorities. Together, both the Strategy and the detailed Programme have been informed by Directorate Asset Management Plans, and other key Council strategies such as the Growth Plan, the Transport Strategy and the developing strategies in Housing, Digital and Customer Services. It will also be informed by the developing Town Centre Master Plan, which is soon to conclude and be published.

2.8 The Capital Strategy will deliver a Capital Programme that is affordable and sustainable, and contributes to the Borough's economic growth. It will also ensure that the Council is able to fully contribute to the delivery of the SCR Strategic Economic Plan and maximise the potential for securing capital funding from the SCR and the Devolution Deal.

2.9 The Strategy sets out seven Golden Rules for determining which projects will be approved for inclusion in the Capital Programme. These rules proscribe the governance and approval procedures that must be followed, including the business case and financial appraisal process, and the financial framework under which the Capital Programme will operate. The Strategy outlines the new standardised governance arrangements that are being put in place, including the meeting structures to manage the Capital Programme. This includes corporate project management guidance, informed by Treasury Green Book guidance, and improved systems and reporting arrangements. Taken together these improvements will improve officer accountability, provide transparent and clear approval routes and enhance reporting arrangements, to enable Commissioners, Members and Officers to make timely, informed decisions on the Capital Programme and its performance and progress.

2.10 The Capital Strategy identifies projects that are at three stages of development:

- **Stage 1: Approved Capital Programme –** projects that are already in the Capital Programme 2016/17 to 2017/18.

- **Stage 2: Agreed in Principle –** additional projects over and above those already in the approved programme, to be included and financed in the new Capital Programme 2016 to 2021.

- **Stage 3: Development Pool –** projects that are not to be included in the new Capital Programme 2016 to 2021, but have been identified as key priorities for the Council's future capital investment, subject to the business case being agreed and funding being in place.

2.11 One of the key aims of improving the Council's management of its capital resources is to embed the importance of having an integrated approach across revenue and capital within the organisation. This is to ensure that the two key strategic documents, the Capital Strategy (CS) and Medium Term Financial Strategy (MTFS) interlink, to ensure that the delivery and financing of the Capital Programme fully reflects the principles of the MTFS. This will be done by ensuring that the revenue implications of capital projects are

reflected within the MTFS and in revenue budgets (such as the cost of borrowing and savings generated through invest to save schemes).

2.12 A report requesting approval for the new Capital Strategy and the Capital Programme for the period 2016 to 2021 will be presented to full Council on the 2nd March 2016. The revenue impact of the Capital Programme is reflected in the Council's Revenue Budget and Council Tax Setting Report and the prudential borrowing requirement arising from the Capital Programme will be reflected in the Prudential Indicators and Treasury Management and Investment Strategy that are also to be presented to full Council.

2.13 Council and Cabinet Members will have a key role to play in the new governance arrangements, with a new focus on ensuring that Members are involved in the consultation and decision making process from the outset of a project, throughout to its completion. Members will have the opportunity to inform the future content of the Strategy and review and scrutinise projects being considered for inclusion into the Capital Programme, with the aim that they will give their endorsement for these projects. These projects will then only be included within the Capital Programme once detailed business cases have been brought forward for approval.

**3.1 Stage 1: The Approved Capital Programme 2016/17 to 2017/18**

3.1.1 This report focuses on the final two years of the current three-year Capital Programme 2015/16 to 2017/18, originally approved by full Council in March 2015, which is being implemented and has been continuously updated as a result of amendments and additions approved by the Council throughout the year.

3.1.2 A review of the Capital Programme has been completed and has focussed on confirming priorities, contractual commitments and reviewing resource availability.

3.1.3 The figures relating to the programme continuation are based on estimates compiled as at December 2015. It has been calculated on the expectation that the current year's outturn will be £76.026m. The re-profiling of committed schemes from the current year's programme into future years, based on the latest monitoring report, and the inclusion of new schemes, gives a proposed new capital approved programme of £98.672m for the period 2016/17 to 2017/18. All approved schemes within this programme are outlined within Appendix B, along with details of the proposed profiled spend and resources.

**3.2 Stage 2: Proposed New Capital Programme (2016-2021)**

3.2.1 Commissioners, Members and Council officers have been engaged for several months in developing proposals for a five year Capital Programme, spanning the period 2016-2021. This work has been undertaken through the Members Budget Working Group, SLT and the officer Strategic Capital

Investment Group. The work has ensured that the proposed Council's capital expenditure plans are aligned with its strategic priorities and vision for Rotherham. Appendix B of this report also provides the individual project descriptions, including details of the proposed profiled spend and resources, with Stage 2 projects highlighted as such. Table 1 below illustrates the total Capital Programme for 2016/17 to 2020/21, (inclusive of Stage 1 & 2 Schemes), summarised by investment theme:

**Table 1 – Proposed new Capital Programme 2016/17 to 2020/21**

| Investment Theme | Stage 1 (Approved) | Stage 2 (New Capital Projects) | Total Capital Programme |
|---|---|---|---|
| | £m | £m | £m |
| **Town Centre Development** | - | 17.000 | 17.000 |
| **Improving Highways & Infrastructure** | 17.754 | 55.504 | 73.258 |
| **Housing & Neighbourhoods Investment** | 72.967 | 77.840 | 150.807 |
| **Key Invest To Save** | 2.240 | 11.360 | 13.600 |
| **Buildings Critical Condition** | 3.327 | 5.709 | 9.036 |
| **ICT Critical Condition** | 2.384 | 7.625 | 10.009 |
| **Housing Growth Projects** | - | 0.385 | 0.385 |
| **Development Fund** | - | 5.000 | 5.000 |
| **Grand Total** | **98.672** | **180.423** | **279.095** |

3.2.2 The current approved Capital Programme (Stage 1) totals £98.672m with a further £180.423m of new projects (Stage 2) to be added, giving a total Capital Programme of £279.095m.

3.2.3 This proposed Capital Programme 2016 to 2021 will aim to deliver the following key strategic projects:

- **Town Centre Development – £17m** – The Council has ambitions to continue the regeneration of the Town Centre offer, and has procured a Master Plan, which will determine which projects will be put forward as strategic priorities. These include:

    - Enhancements to the retail offer, including improvements to the Markets.
    - Enhancements to the leisure/night time offer, including an ambition to bring a cinema to Rotherham.
    - Improvements to the Transport Interchange, to create a brighter, safer environment.
    - Development of key strategic sites, including Forge Island, Westgate/Sheffield Road and the water side.
    - Residential development in the town centre.

- HE Campus development on the Doncaster Gate site.

- **Improving Highways and Infrastructure - £73.258m –** Within the existing approved Programme, there is investment of £17.754m in highways infrastructure projects and maintenance to improve the Borough's roads. This includes £2.000m investment in 2016/17 in the Borough's unclassified roads network, as part of a programme to permanently repair 50km of the network, building on the £3.000m investment in 2015/16 with works being clearly targeted at maximising the improvement to the durability and condition of the network. Other projects within the existing approved programme include the continuation of the Authority's street lighting programme (£2.456m), to replace the existing lanterns with LEDs, to yield significant energy consumption savings, and the STEP 2 programme (£1.856m) to deliver sustainable transport, including improved walking and cycling routes.

  The new planned £55.504m investment includes a further £10.000m investment in the Borough's unclassified roads network over the period 2017/18 – 2019/20 the outcome of which will be that the unclassified roads in Rotherham are at, or better, than the national average condition. In addition, it includes two key strategic projects:

  - A Parkway Widening scheme - which will widen the Parkway from 2 lanes to 3 from the M1 to its junction with Europa Way at Catcliffe.

  - The Waverley Link Road - which will connect Highfield Lane, Waverley to Woodhouse Mill, improving the connectivity of Waverley and the Advanced Manufacturing Park.

  Both schemes are seeking Sheffield City Region and Department for Transport funding. The feasibility work for these projects is already included in the existing Approved Capital Programme.

- **Housing and Neighbourhoods Investment (2018/19 – 2020/21) - £150.807m** – The annual Housing Investment programme will maintain decency standards, carry out stock improvements, aids and adaptations and new stock provision, energy efficiency and environmental works to our 21,000 council homes. This represents an additional new HRA investment of £77.700m, building on the existing approved £72.967m funded programme, and follows a review of the HRA Business Plan. Planned works within the total programme include refurbishments to Council dwellings, replacements to central heating and district heating systems, works to void properties to bring them up to an agreed standard for lettings, and estate environmental works. A major element of the programme is a planned £12.210m investment in strategic acquisitions, to increase the numbers of Council housing stock by an estimated 150 properties. In addition, there is an £8.800m programme to provide aids and adaptations to Council and private sector dwellings, to enable people to live independently in their homes for longer.

Included within this theme is **Area Assembly Investment of £0.140m,** which is the provision of a small capital investment pot for each area assembly to prioritise for public realm and parking schemes in those local neighbourhood areas.

- **Key Invest to Save Schemes - £13.600m** – Within the existing approved programme, there is a £1.600m scheme to enable works to private properties, to increase the Borough's capacity for foster care placements. This project generates revenue savings, as a result of a reduction in out of authority placements. The new projects include a potential Extra Care Housing Scheme at Thurcroft, which is being developed by Adult Services and Housing. This project meets cross-cutting objectives between Housing, Adults and Health services. Budget savings will be realised through property and service rationalisation, as the proposed Extra Care development will enable older people to live independently for as long as possible. This will reduce the pressure on existing budgets, as care packages can be added flexibly as and when required, based on need. The proposed scheme will provide complementary residential housing.

- **Buildings Critical Condition Works - £9.036m** – Works focussed on maintaining the operational functionality of Council-owned buildings such as office spaces, schools, markets, libraries and museums. Works included within the existing approved programme include Education Funding Agency grant funded works to provide additional pupil places and deal with building condition issues on the Council's school estate (£2.776m). New projects include works to the Council's operational buildings, to deal with backlog maintenance issues, to ensure that the Council's buildings are suitable for the provision of Council services (£3.294m).

- **ICT Critical Condition Works - £10.009m** – Works focussed on maintaining the operational functionality of the Council's ICT infrastructure, including lap-tops, telephony, servers and network equipment as well as modernising how the Council works. Projects identified within the new Programme include the following:

    - The replacement of essential IT networking equipment, server equipment and the Storage Area Network (SAN), which have reached the end of their useful life (£3.523m);
    - A continuation of the rolling programme of intelligent refresh of laptops to ensure they are fit for business use (£2.860m); and
    - The replacement of the Council's existing telephony system, as the existing telephony platform will soon be at the end of its useful life, and will no longer be supported by the supplier (£1.242m).
    - Implementation of the Liquid Logic system, to deliver improvements to ICT within Children's and Adult's Social Care (£0.395m)

The Council is looking closely at how its services are delivered and is seeking to maximise the use of modern digital solutions to improve service delivery, generate savings and promote better engagement and information sharing with our partner organisations. To drive these improvements forward, the Council is currently finalising its new Digital Rotherham Strategy

and in doing so will be looking to bring forward how it plans to deliver services differently to its customers - the current expectation is that any such future capital investment decisions will be on an invest to save basis. Proposals will be developed in conjunction with Members, and business cases will be brought forward for individual projects in the coming months.

- **Housing Growth Projects - £0.385m** – The Council is working with Fitzwilliam Wentworth Estates to bring forward a major housing development at Bassingthorpe Farm. This project will potentially provide 2,400 new homes, with the associated infrastructure to support such a development, including schools, health and community facilities and green spaces.

- **Development Fund - £5m** – A proposed investment fund to pump prime capital projects, which can be shown to bring forward development and enable economic growth, which if reliant on the private sector would either stall or be significantly delayed. This is identified as a priority within the Growth Plan, and builds on the Council's experience with the Advanced Manufacturing Park and the Town Centre High Street scheme.

**3.3 Funding the Capital Programme**

3.3.1 Table 2 below shows how the Council proposes to fund the Total Capital Programme 2016 to 2021.

Total prudential borrowing of £53.602m will be used to support the funding of the Programme. The revenue implications arising from this prudential borrowing are fully reflected in the Council's 2016/17 Revenue Budget and Council Tax Setting Report, it's Medium Term Financial Strategy and the Prudential Indicators and Treasury Management and Investment Strategy. In addition, it is proposed that £17.625m of capital receipts be used to support the funding of the Programme, from the £22m available receipts that the Council has to fund such investment plans, as a direct result of reducing and rationalising its operational estate over the last 5 years. These receipts will be used to fund short-life ICT assets so as to minimise the revenue budget implications over the next 5 to 10 years and £10m towards the proposed town centre development project. The estimated funding profile for the proposed Total Capital Programme is summarised in Table 2 below:

**Table 2 – The Funding of the proposed new Capital Programme**

| FUNDING STREAMS | STAGE 1 (APPROVED) | STAGE 2 (NEW CAPITAL PROJECTS) | TOTAL CAPITAL PROGRAMME |
|---|---|---|---|
| | £m | £m | £m |
| Grants & Other Contributions | 16.485 | 44.499 | 60.984 |
| Major Repairs Allowance (HRA) | 42.435 | 77.700 | 120.135 |
| Prudential Borrowing | 13.003 | 40.599 | 53.602 |
| Revenue Contributions (HRA) | 24.449 | 0 | 24.449 |
| Usable Capital Receipts - (HRA) | 2.300 | 0 | 2.300 |
| - (GF) | 0 | 17.625 | 17.625 |
| | | | |
| **Grand Total** | **98.672** | **180.423** | **279.095** |

3.4 **Stage 3: Development Pool Projects**

3.4.1 The Development Pool projects represent some of the most significant proposals for capital investment within the Borough. These include projects which will deliver major improvements in key strategic areas such as highways, town centre regeneration, and housing and economic growth. However, these projects are in their embryonic stage and a number of them are uncosted. In addition, some of them have been identified as potential projects to be funded from the SCR. They are therefore attached as Appendix C for information. These include the following ambition projects:

- Crinoline Bridge - £4m refurbishment works.
- New Rotherham Mainline Railway Station at Parkgate - £15.1m.
- Advanced Manufacturing Innovation District – Projects to stimulate growth.

3.4.2 At this stage these Development Pool Projects have not been included in the Proposed Capital Programme for which Member endorsement is being sought. They are dependent upon detailed business cases being developed and funding packages being put in place. As they are developed, these projects will be brought through the proposed Officer and Member forums, for consideration and evaluation, before formal approval to include them in the Capital Programme is sought.

**4. Options considered and recommended proposal**

4.1 The projects that have been put forward for inclusion in the Capital Programme (Stage 2 Projects) have been prioritised from a long list of capital project proposals. This process has been undertaken by senior

officers, through the Strategic Capital Investment Group (SCIG), in conjunction with Members. It follows work carried out in individual directorates to refresh existing strategies and plans, including Asset Management Plans.

4.2 The projects that have been put forward for inclusion in the Capital Programme (2016-2021) represent those projects that meet the Council's key priorities as defined in its Vision, for example, the town centre; projects that support economic growth, including improvements to highways and infrastructure; and deliver investment and growth in housing. In respect of building and ICT condition issues, they represent the most urgent investment needs as identified by the Corporate Property Unit, in conjunction with Directorates, in order to maintain existing service delivery from these buildings.

**5. Consultation**

5.1 Consultation has taken place with Members, Commissioners, and officers engaged in capital projects across Directorates. In addition, the capital programme is managed and monitored through SCIG.

**6. Timetable and Accountability for Implementing this Decision**

6.1 Stuart Booth – Acting Strategic Director of Finance and Corporate Services

Caroline Bruce – Interim Strategic Director of Environment and Development Services

Paul Smith – Corporate Property Unit Manager

Graeme Betts – Acting Strategic Director Adult Care and Housing

David Richmond – Assistant Director of Housing and Neighbourhoods

**7. Financial and Procurement Implications**

7.1 The finance implications are contained within Section 3 of the report. Any revenue implications from the Approved Capital Programme will be fully reflected in the Council's 2016/17 Revenue Budget and Council Tax Setting Report, it's Medium Term Financial Strategy and the Prudential Indicators and Treasury Management and Investment Strategy.

7.2 There is a requirement for all projects within the Capital Programme to be procured in line with the Council's Standing Orders and Financial Regulations. The Authority utilises national and regional framework arrangements for many of its capital contracts, including the YORbuild framework lists. This speeds up the procurement process, and ensures that the Council achieves value for money in the procurement of its capital contracts.

7.3 There is a requirement for Stage 2 projects to follow the new Capital Programme Governance procedures. This will include the requirement to bring forward detailed business cases for full sign off, before the delivery of the project commences.

**8. Legal Implications**

8.1 All capital projects require input from Legal Services in relation to contracts. The Council must ensure that robust contractual arrangements are put in place, specifications are clearly defined and it is clear which project risks are the responsibility of the Contractor and which remain with the Council. This is to avoid potential contractual disputes and limit the financial impact on the Council arising from them.

**9. Human Resources Implications**

9.1 Capital projects are resource intensive and require careful scoping, planning and costing, to ensure that business cases are robust, realistic and deliverable. The delivery of the Capital Programme has to be carefully planned to ensure that the Council has the appropriate skills and capacity available to plan the works, and then carefully manage and monitor contractors once they are on site.

**10. Implications for Children and Young People and Vulnerable Adults**

10.1 Projects included within the Capital Programme have been informed by the Children's Improvement Plan. They include the project to replace the existing Children's and Adults' Social Care ICT system with the Liquid Logic system, to meet a key recommendation in the Jay report to *"Address the severe deficits in the ICS system as a matter of urgency and procure a replacement system".* In addition, they include projects to provide additional school places, and address underlying building condition issues. The Authority has a statutory obligation to provide sufficient pupil places in the Borough. This obligation extends to academy schools as well as local authority maintained schools. The Corporate Property Unit work closely with colleagues in CYPS to identify schools which are most in need of expansion, to deal with increasing pupil numbers. In addition, the programme includes property adaptations to foster care homes to create additional foster care places in the Borough.

**11. Equalities and Human Rights Implications**

11.1 Projects within the Capital Programme will ensure that as far as possible Council buildings are fully accessible, to enable all users to access Council services. In addition, projects within the Council's Digital and Customer Access Strategies will ensure that individual customer needs are met. The development of the Children's and Adults' Social Care ICT system will ensure equality of opportunity for a range of vulnerable groups, by providing

timely and robust data, to enable all partners to work together and ensure that care and protection is available to those people who need it most.

**12. Implications for Partners and Other Directorates**

12.1 The relevant elements of the report have been produced in conjunction with officers engaged in capital projects across Directorates. In addition, the Capital Programme is managed and monitored through the Strategic Capital Investment Group (SCIG). Where the Council is working with partner organisations on specific projects, for example in Health, the Police and other government agencies, proposals have been developed in conjunction with these organisations.

**13. Risks and Mitigation**

13.1 The Capital Programme is funded through a number of sources: Prudential borrowing, capital grants and contributions, revenue contributions and capital receipts. Any uncertainty over the funding of the Programme rests on confirmation that grants/contributions and capital receipts continue to be available in future years.

13.2 Finance work closely with Project Managers and the Corporate Property Unit, to monitor project expenditure and performance. Improvements that are being introduced to the Capital Programme governance arrangements and enhanced reporting requirements, will ensure that Members will receive early notice of any specific project issues. This will enable early intervention to take place to bring projects back on timetable and cost, or if necessary, agree an additional capital programme funding approval. Where elements of the Programme are reliant on future grant funding, future projects will be continually reviewed to match the programme against funding availability.

**14. Accountable Officer(s)**

Stuart Booth – Acting Strategic Director of Finance and Corporate Services

Caroline Bruce – Interim Strategic Director of Environment and Development Services

Paul Smith – Corporate Property Unit Manager

Graeme Betts – Acting Strategic Director Adult Care and Housing

David Richmond – Assistant Director of Housing and Neighbourhoods

Approvals Obtained from:-

Acting Strategic Director of Finance and Corporate Services:- Stuart Booth

# Draft Version

## Capital Strategy

2016/17 to 2020/21

Draft Version

Rotherham Metropolitan Borough Council

# Foreword

Welcome to our new Capital Strategy 2016/17 to 2020/21, which sets out the processes by which the Council will allocate its capital resources, to maximise their contribution to the delivery of the Council's strategic aims and objectives.

Over the last year, since I became Leader of the Council, I have undertaken the biggest public consultation in the history of Rotherham Council. I met with people of all ages and all backgrounds, heard their thoughts, ideas and worries, and from that we adopted a new vision for the council.

Rotherham is our home, where we come together as one community, where we seek to draw on our proud history to build a future we can all share. We value decency and dignity and seek to build a town where opportunity is extended to everyone, where people can grow, flourish and prosper, and where no one is left behind.

To achieve this as a Council we must work in a modern, efficient way, to deliver sustainable services in partnership with our local neighbourhoods, looking outwards, yet focussed relentlessly on the needs of our residents.

Residents told me that they knew and understood the financial pressures that the council is under, but that they wanted to live in a clean, safe community. They need the council to be able to work more efficiently if we are to deliver. They talked about how they would like to see the town centre improved, and pot holes filled. Virtually everyone who took part in the consultation said that creating more local jobs is a priority.

And as we continue to improve the council, this Capital Strategy marks the next stage of our development; marshalling the council's resources to be able to deliver on the priorities of residents.

It has been informed by Directorate Asset Management Plans, and other key Council strategies such as the Growth Plan, the developing Digital Strategy and the Customer Access Strategy. It also signals our commitment to the developing Town Centre Master Plan.

The Capital Strategy will deliver a capital programme that is affordable and sustainable, and contributes to the Borough's economic growth. It will also ensure that the Council fully contributes to the delivery of the Sheffield City Region (SCR) Strategic Economic Plan, and maximises the potential for securing capital funding from the SCR and the Devolution Deal.

Our challenge is to ensure that the council works more efficiently, prioritising "invest to save" opportunities, makes best use of our existing buildings and makes the necessary investments to the working environment of our staff, and to improve the wider Rotherham environment to everyone's benefit.

I very much welcome this document as the latest step on that journey.

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# Executive Summary
## Introduction

This Capital Strategy sets out the processes by which Rotherham Metropolitan Borough Council will allocate its capital resources to maximise their contribution to the delivery of the Council's strategic aims and objectives. The Council's vision is set out below.

### A new vision for Rotherham

Rotherham is our home, where we come together as one community, where we seek to draw on our proud history to build a future we can all share. We value decency and dignity and seek to build a town where opportunity is extended to everyone, where people can grow, flourish and prosper, and where no one is left behind.

To achieve this as a council we must work in a modern, efficient way, to deliver sustainable services in partnership with our local neighbourhoods, looking outwards, yet focused relentlessly on the needs of our residents.

**To this end we set out four priorities:**

- Every child making the best start in life
- Every adult secure, responsible and empowered
- A strong community in a clean, safe environment
- Extending opportunity and planning for the future

### Opportunity

There is significant growth potential in the Borough and the wider Sheffield City Region. Restoring business confidence and making Rotherham a place for 'doing business' will help attract much needed inward investment and will be integral to Rotherham's future economic ambition. Rotherham has ambitious targets in the Local Plan for new housing, with a need for 958 new homes a year. We also have a jobs target of 1,000 a year and 750 net new businesses over the next 5 years. This correlates to the growth ambitions set out in the Sheffield City Region (SCR) Strategic Economic Plan. This level of housing and economic growth will require a step change in the amount of investment made in growing the Rotherham economy.

The Council also has a major role to play in helping drive this growth and enterprise, both as a facilitator and also in terms of a potential deliverer, as a major land and property owner. The Council working with the SCR, through the proposed devolution deal, will now be in a fairly unique position to drive growth and investment in the region. The Council will look to maximise the opportunities created through the devolution agreement, alongside the proposed Capital Strategy 2016 to 2021 to connect residents and businesses with skills and employment opportunities and support the investment in our Town Centre, housing and in transportation and highways infrastructure.

### Challenge

The challenge for the future is to drive transformation, to help define Rotherham as an attractive place to live, further improve the quality of life for all residents, increase their overall social and economic prospects and enable them to participate fully in the life of the Town. Important to the delivery of these aspirations for the Town will be:

- To support, promote and drive the role and continuing growth of the town centre and Borough as a city region driver, as a focus for employment growth, through a strengthening and diversification of its economic base. This will be complemented through the ongoing development of the Advanced Manufacturing Park and the establishment of an Advanced Manufacturing Innovation District.
- To support investment in highways infrastructure, which will see £73.258m of investment in projects between now and 2021, which will help connect people to jobs, education, shopping, recreation and services.
- Realising the ambition to improve the Town Centre offer, making it an attractive place for people to live, work, shop and enjoy their leisure time.
- The delivery of housing, both to improve existing Council housing and to facilitate the provision of new housing in the Borough, through major developments such as Waverley and Bassingthorpe Farm, in order to meet regional housing demand.

The Council has undertaken a major piece of work over the last year to review its existing arrangements for the development of and approval of the Capital Programme. This has led to:

1. Extension of the planning period to 5 years from 3 years to 2020/21
2. New and Improved Capital Governance Procedures
3. New and Improved Capital Reporting and Monitoring Procedures



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Council and Cabinet Members will have a key role to play in the new governance procedures, with a new focus on ensuring that Members are involved in the consultation and decision making process from the outset and throughout. From the initial review this was identified as a key priority, and as the Capital Programme governance and the Programme itself have been developed, we have sought to keep Members up to date. It is envisaged that through the Capital Strategy, Members will have the opportunity to review and scrutinise projects being considered for inclusion into the Capital Programme, with the aim that they will give their endorsement for these projects. These projects will then only be included within the Capital Programme once detailed business cases have been brought forward for approval.

## What does the Capital Strategy cover

The development of the Capital Strategy and the detailed Capital Programme stems from the priorities outlined above and sets out the process by which the Council will allocate its finite capital resources, to maximise their contribution to the delivery of the Council's Vision and priorities. Together, both the Strategy and the detailed Programme have been informed by Directorate Asset Management Plans, and other key Council strategies such as the Growth Plan, the Transport Strategy and the developing strategies in Housing, Digital and Customer Services. It will also be informed by the developing Town Centre Master Plan, which is soon to conclude and be published.

The Capital Strategy will deliver a Capital Programme that is affordable and sustainable, and contributes to the Borough's economic growth. It will also ensure that the Council is able to fully contribute to the delivery of the SCR Strategic Economic Plan and maximise the potential for securing capital funding from the SCR and the Devolution Deal.

The Strategy sets out seven Golden Rules for determining which projects will be approved for inclusion in the Capital Programme. These rules proscribe the governance and approval procedures that must be followed, including the business case and financial appraisal process, and the financial framework under which the Capital Programme will operate. The Strategy outlines the new standardised governance arrangements that are being put in place, including the meeting structures to manage the Capital Programme. This includes corporate project management guidance, informed by Treasury Green Book guidance, and improved systems and reporting arrangements. Taken together these improvements will improve officer accountability, provide transparent and clear approval routes and enhance reporting arrangements, to enable Commissioners, Members and Officers to make timely, informed decisions on the Capital Programme and its performance and progress.

This Strategy encompasses the current approved Capital Programme for the period 2016/17 to 2017/18, as well as the forward five year Capital Programme for the period 2016/17 to 2020/21. Included in the Strategy are Projects for which conditional approval has been granted, termed Development Pool Projects. These are projects that the Council has the ambition to deliver, but have not been successful for inclusion into the forward Capital Programme at this stage, as they are dependent upon the right financial and non-financial conditions to make these projects viable.

There are three key stages for projects included within the Capital Strategy:

**Stage 1 Approved** – Projects already fully included in the Capital Programme.

**Stage 2 Agreed in Principle** – Projects that have been identified as high priority, for which we are seeking endorsement for inclusion into the Capital Programme.

**Stage 3 Development Pool Projects** represent some of the most significant proposals for future capital investment within the Borough. It includes projects which will deliver major improvements in key strategic areas such as highways, town centre regeneration, and housing and economic growth. These projects have been included within stage 3 as they have significant funding shortfalls, or require strategic approval (i.e. they are included within the Council's Growth Plan, Town Centre Master Plan or Asset Management Strategies).

This Capital Strategy is aligned with the Council's Medium Term Financial Strategy (MTFS), to ensure that the delivery and financing of the Capital Programme fully reflects the principles of the MTFS. This will be done by ensuring that the revenue implications of capital projects are reflected within the MTFS and in revenue budgets (such as the cost of borrowing and savings generated through invest to save schemes).

The table below illustrates the total capital programme for 2016-2021, including funding identified. This expenditure is made up from the schemes within the current approved programme, Stage1 and new schemes being brought forward within Stage 2.



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| Summary of The Total Capital Programme 2016-21 – Including Funding | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| New Capital Programme & Funding 2016-21 | Stage 1 (Approved) | Stage 2 (Agreed in Principle) | Total Capital Programme | Grants & Other Contributions | Major Repairs Allowance | Prudential Borrowing | Revenue Contribution to Capital Outlay | Usable Capital Receipts |
| | £m | £m | £m | £m | £m | £m | £m | £m |
| **Town Centre Development** | - | 17.000 | 17.000 | - | - | 7.000 | - | 10.000 |
| **Improving Highways & Infrastructure** | 17.754 | 55.504 | 73.258 | 55.465 | - | 17.793 | - | - |
| **Housing & Neighbourhoods Investment** | 72.967 | 77.840 | 150.807 | 2.103 | 120.135 | 1.820 | 24.449 | 2.300 |
| **Key Invest To Save** | 2.240 | 11.360 | 13.600 | 0.640 | - | 12.960 | - | - |
| **Buildings Critical Condition** | 3.327 | 5.709 | 9.036 | 2.776 | - | 6.260 | - | - |
| **ICT Critical Condition** | 2.384 | 7.625 | 10.009 | - | - | 2.384 | - | 7.625 |
| **Housing Growth Projects** | - | 0.385 | 0.385 | - | - | 0.385 | - | - |
| **Development Fund** | - | 5.000 | 5.000 | - | - | 5.000 | - | - |
| **Grand Total** | **98.672** | **180.423** | **279.095** | **60.984** | **120.135** | **53.602** | **24.449** | **19.925** |

## Conclusions

- The Council's Capital Strategy and Capital Programme are considered holistically with the Council's Medium Term Financial Strategy, Treasury Management Strategy, and Asset Management Plans.
- The Council is able to announce a potential Capital Programme of £279.095m over the next five years (approved + agreed in principle excluding development pool).
- The period of this Strategy will be very challenging for local government and the availability of capital financing to support the Council's Capital Programme will be limited. The Council will need to engage fully with the Sheffield City Region to maximise the grant funding that is available, as part of the devolution deal, and will work with the private sector to find gap funding for projects where appropriate.
- Revenue pressures over the plan period will have a significant impact on the ability of Rotherham Metropolitan Borough Council to undertake additional borrowing to support the Capital Programme. However, the Council will look to invest in capital projects which yield revenue savings on an invest to save basis.
- The new governance, reporting and monitoring procedures will improve the efficiency, effectiveness and overall control of the capital programme.



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# Corporate Plan

The Council's Capital Strategy and Asset Management Plans set out how they will contribute to meeting the Council's aims and objectives, as identified within the Corporate Plan 2016 - 2018. This Corporate Plan is an important milestone in the Council's improvement journey. It has been developed following the most extensive consultation ever held by the Council, which has shaped the Council's priorities for the future. The key themes of the Corporate Plan are:

**Priority 1:** Every child making the best start in life
**Priority 2:** Every adult secure, responsible and empowered
**Priority 3:** A strong community in a clean, safe environment
**Priority 4:** Extending opportunity and planning for the future
**Priority 5:** Running a modern, efficient Council

In order to provide services and deliver the Corporate Plan objectives, the Authority needs access to long term assets. Long term assets, often referred to as "fixed assets", are defined as those that have an economic life of more than one year. The provision of long term assets is further defined as being capital expenditure.

Capital expenditure and finance is governed and operated under the Prudential Framework for Local Authorities in England. The Prudential Framework is an umbrella term for a number of statutory provisions and professional requirements that allow authorities largely to determine their own plans for capital investment and expenditure, subject to an authority following due process in agreeing these plans and being able to provide assurance that they are prudent and affordable.

**The Framework is based on the following foundations:**

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# Overview

## What is Capital Expenditure?

Capital planning is about capital investment or expenditure, as distinct from revenue expenditure or running costs. Capital expenditure can be defined as expenditure on assets that will provide a benefit to the organisation beyond the current financial year. This includes expenditure on:

- purchase of new assets
- creation of new assets
- enhancing and/or extending the useful life of existing assets.

A more detailed definition of capital expenditure, as it applies to UK local authorities, is contained in the Practitioners' Guide to Capital Finance in Local Government (CIPFA, 2012). In England and Wales, there are three routes by which expenditure can qualify as capital under the framework:

| | |
|---|---|
| The expenditure results in the acquisition, construction or enhancement of fixed assets (tangible and intangible) in accordance with 'proper practices'. | Section 16 of the Local Government Act 2003 specifies that the definition of capital expenditure comprises these three descriptions of expenditure. |
| The expenditure meets one of the definitions specified in regulations made under the 2003 Local Government Act. | Regulation 29A of the Capital Financing Regulations [England] 2003 then exempts these three categories of expenditure from being charged to revenue. |
| The Secretary of State makes a direction that the expenditure can be treated as capital expenditure. | Regulations 31 [England] define proper accounting practices as those contained in the SORP. |



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## Overview

Financial regulations proscribe certain costs from being capitalised, in particular administrative and other general overheads, together with employee costs not related to the specific asset (such as configuration and selection activities). Authorities are also required to write off any abnormal costs that arise from the inefficiencies (such as design faults, theft of materials, etc.). The following table provides some examples of the costs incurred by a local authority in the process of constructing a new administrative building on the site of existing office accommodation. The positions taken in the example below are just that an example, therefore advice should be sought from Capital Business Partners where there are any areas of uncertainty.

| Item of expenditure | Capital or revenue? |
|---|---|
| Feasibility studies | Revenue. All costs incurred whilst an authority is deliberating on the problems it wishes to resolve by having a new building, scoping potential solutions and choosing between them and assessing whether resources will be available to finance a project, will normally be revenue.<br>This is because, until a specific solution has been decided upon, costs cannot be directly attributable to bringing an asset into working condition. Capital: Feasibility costs for chosen option. |
| Demolition of existing building | Capital. Demolition would usually be an act of destruction that would be charged to revenue. However, if the costs are incurred as a necessary step in preparing a site for a new building, it can be argued that they are an integral part of the new works. |
| Costs of renting alternative accommodation for authority staff during building works | Revenue. All costs incurred in carrying out the authority's regular business whilst construction is under way (no matter how great the cost of the inconvenience caused) will be revenue as they make no direct contribution of any value to the new building. |
| Site security during construction | Revenue. This activity protects the investment made in the building during construction but does not enhance it. |



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**Further Examples – Revenue or Capital?**

| Item of expenditure | Capital or revenue? |
|---|---|
| Professional fees | Capital. To the extent that the services provided make a contribution to the physical fabric of the new building (e.g.: architecture design) or the work required to bring the property into working condition for its intended use (e.g.: legal advice in the preparation of building contracts). |
| Furniture and fittings | Capital. Items that are needed to bring an asset into working condition for its intended use are often capitalised as part of the overall cost of the property, even if such items would normally be below the authority's minimal limit. |
| Rectification of design faults | Capital. Rectification work will take an asset closer to being in working condition. However, the expenditure previously incurred on the defective work would need to be written off to revenue |
| Training and familiarisation of staff in operation of new building | Revenue. The building will be regarded as being in working condition, even if there is no one competent at the authority actually to operate it. Training and associated costs do not therefore qualify for capitalisation. |
| Apportionment of costs of capital expenditure team and internal audit | Revenue. These costs are generally incurred to make sure the project runs as intended, rather than enhancing it. |



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## Key Terminology

| | |
|---|---|
| **Asset Strategy** | Long-term strategy for moving towards the optimal asset portfolio, which includes strategies for:<br>• Purchasing and constructing new assets<br>• Investing in and replacing existing assets<br>• Transferring assets to other organisations<br>• Disposing of assets that are surplus to requirements |
| **Asset Management Plans** | Detailed plans for individual assets or groups of assets covering<br>• How they will be managed on a day-to-day basis<br>• Investment in, replacement, transfer or disposal of those assets, in accordance with the asset strategy |
| **Asset Planning** | A general term for the activities covered by an asset strategy and asset management plans |
| **Capital Strategy** | Long-term strategy for investment in assets and for obtaining the resources required for that investment |
| **Capital Programme** | A set of capital projects that an organisation plans to undertake within a specified timescale, typically three to five years |
| **Capital Planning** | A general term for the activities covered by a capital strategy and the development of a capital programme |

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# Why we need a Capital Strategy

A capital strategy is the foundation of proper long-term planning of capital investment, determining the priorities for this investment and how this is to be delivered and financed. Every public sector organisation that has significant capital assets and access to capital funding should therefore have a robust capital strategy. Rotherham Council's Capital Strategy defines and outlines the Council's approach to capital investment and is fundamental to the Council's financial planning framework, as enshrined in our Medium Term Financial Strategy.

## The Capital Strategy will:

- Ensure capital expenditure contributes to the achievement of the Council's strategic aims and objectives, as defined in the Corporate Plan.
- Deliver a capital programme that is affordable and sustainable, and contributes to the Borough's economic growth.
- Maximise the use of resources and deliver Value for Money (VfM).
- Provide a clear governance framework for decisions relating to capital expenditure.
- Acquire and retain access to sufficient long term assets to provide services to the people of Rotherham.
- Encourage capital investment on Invest to Save (I2S) initiatives, to make efficiencies within the Council's revenue budget.
- Ensure that all investment decisions are based on a robust appraisal process, including the evaluation of VfM, affordability and risk.
- Ensure that the Council fully contributes to the delivery of the Sheffield City Region Strategic Economic Plan.

## What is an Asset?

An item of property, plant or equipment that has a useful life of more than one year.



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# Operating Environment

Asset and Capital decisions need to be made in context. The following pages set out the environment anticipated over the plan period. There are three main elements to this environment which affect Rotherham Metropolitan Borough Council:

## National Context

- Financial stability and tackling the deficit are the Government's primary objectives. This will see continued pressure on capital and revenue budgets over the period of this Capital Strategy. Revenue budget reductions will limit the Council's ability to support capital investment borrowing costs.
- The Government's Joint 2015 Spending Review and Autumn Statement on the 25th November 2015 confirmed funding of £330m for the Sheffield City Region through the Devolution Deal. This funding will support investment in infrastructure, highways, skills and in support of economic growth.
- However, this Spending Review also confirmed cuts in revenue funding to local government of between 24% and 28% by 2020. These cuts will inevitably have a significant impact on the ability of public sector organisations to deliver long term capital programmes, due to having less ability to fund the revenue costs arising from additional borrowing, and reduced levels of staffing resources to support the development of capital projects.
- In addition, the Government announced plans to allow the flexible use of capital receipts for revenue funding on reforming and re-engineering services to secure efficiency savings. Whilst this is welcome, it will reduce the capacity for the Council to fund capital expenditure by using capital receipts.

## Operating Environment – Local Conditions

- In February 2015 Louise Casey's Corporate Governance Inspection declared that Rotherham Council was not fit for purpose. It resulted in far reaching government intervention, including the appointment by the government of Commissioners to oversee the running of the Council. Her report had been triggered by Professor Alexis Jay's inquiry into Child Sexual Exploitation in the Borough.
- In addition to the specific CSE issues, these reports clearly highlighted that the Council needed to improve its governance procedures across the board. The governance of the Council's Capital Programme is one such area. The new capital governance procedures will be covered later in this document.
- The lifecycle maintenance and repair of the Council's operational assets and infrastructure, including the condition and suitability of its school buildings, is a continuing challenge within the current budgetary environment, given the need to protect front line services.

- There is pressure on revenue budgets to keep pace with the deterioration of the highway network, given the pressure from increased usage and the effects of winter weather conditions. If the Council is to maintain its highway network at a level equal to or above the national average, it is clear that further capital investment is required.
- The Town Centre is a key priority for the Council, with the need to build on the award winning High Street regeneration to further improve the Town Centre offer, and make it more attractive and welcoming to residents and visitors.
- The Council must play an active role within the Sheffield City Region (SCR), to ensure that it receives its proportion of funding from the devolution deal, and to enable the Council to fully contribute to the delivery of the SCR Strategic Economic Plan.

## Economic and Market Conditions

- The depressed property market is affecting the ability of the Council to realise capital receipts from property disposals, to support the funding of the Capital Programme.
- Property sale prices are still below pre-2007 levels, making the economic benefits of site disposals difficult to justify.
- Rotherham is ranked the 52nd most deprived district in England according to the Index of Multiple Deprivation 2015. Key challenges for Rotherham are people out of work, low levels of qualification, ill health and disability.



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# Sheffield City Region (SCR)

Central Government are continuing with their plans to promote and support the devolution of power and decision making within the United Kingdom. Within England powers are being transferred at a regional level to local government. This is illustrated with the devolution of powers to Greater Manchester and more importantly for Rotherham to the Sheffield City Region.

A second proposed devolution deal for the SCR was published in October 2015, which will further increase its power and authority on areas such as setting a consolidated multi-year transport budget, the power to produce a statutory spatial strategy, and the power to call in planning applications "of strategic importance." The SCR will be a key vehicle for driving economic growth in the region.

Sheffield City Region

**Sheffield City Region**
The Sheffield City Region has a diverse economy comprising a dynamic core city, important towns and market towns, fabulous countryside and a significant rural economy. The City Region encompasses more than 1.8 million people and approximately 700,000 jobs.

The City Region is located at the strategic heart of the country. It is comprised of the nine local authority areas of Barnsley, Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales, Doncaster, North East Derbyshire, Rotherham and Sheffield.

It is vital that Rotherham remains a key player in the SCR to ensure that it can feed into and benefit from the SCR keys roles and funding opportunities. The SCR is the lead organisation for the following key strategic programmes:

- **Growth Plan:** sets out the Sheffield City Region's plans to transform the local economy over the next decade.
- **LEP Board:** Local Enterprise Partnership (LEP) brings together business leaders and local politicians to make decisions that drive economic growth and create new jobs
- **Combined Authority:** The term "Combined Authority" means the bringing together of two statutory bodies – the Integrated Transport Authority (ITA) and an Economic Prosperity Board (EPB) in order to align political decision making around strategic Economic Development and Transport.

**Barnsley 1**
**Bassetlaw 2**
**Bolsover 3**
**Chesterfield 4**
**Derbyshire Dales 5**
**Doncaster 6**
**North East Derbyshire 7**
**Rotherham 8**
**Sheffield 9**

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The Sheffield City Region represents the most significant funding source to the Council to enable it to deliver upon its major capital investment plans. With the wide variety, nature and size of the funding streams already at its disposal and funds that it will be responsible for in the near future, it is vital that the Council ensures its priorities are fed into SCR planning and programme development.

In July 2014, the SCR secured £297m of capital funding from the government's Local Growth Fund to invest over the period 2015/16 to 2020/21 on major transport and infrastructure schemes, developing sustainable transport, investing in skills infrastructure, and supporting business growth and investment. A further £30m was allocated in January 2015 under an extension to the Growth Deal covering the period 2016/17 to 2020/21. Rotherham has already benefited from SCR funding being allocated to support schemes such as the Waverley Link Road and Parkway Widening.

As part of the Devolution Deal, additional funding of £900m has been promised at a £30m annual budget spread over 30 years, split 60% capital and 40% revenue, and subject to five yearly performance review. The proposal is for the additional funding to form part of a flexible single pot together with the SCR's share of other national funding streams (as yet to be determined).

The SCR is organised around five themes, each under an executive board as indicated in the diagram below.
The diagram below gives an indication of the sources of capital funding within each theme and across the SCR as a whole at this point in time.

Each board currently has its own funding allocations and approvals process, but the intention is to bring these separate frameworks together into a new overarching framework for making investment decisions across the full range of activities the CA is responsible for, Rotherham will need to be clear on its capital priorities, in order to direct its own resources and time to ensure that project bids being put forward have the greatest chance of successfully accessing SCR funding. Rotherham's new capital governance arrangements have been developed to mirror the SCR's project appraisal process, to ensure that documentation required for approval within both organisations is of a similar format.

It is important to note and understand that the SCR boards and the new funding streams are still under development and as such the way the funds are governed, controlled and allocated is subject to change.



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## SCR Executive Boards

### Business Growth

**Portfolio:**
- Growth Hub
- Centres of Expertise
- Inward Investment
- Rural

**Funds:**
Regional Growth Fund £52m

Northern Powerhouse Investment Fund £400m

### Transport

**Portfolio:**
- Transport for the North
- Rail North
- HS2
- Commissioning body for Transport Committee

**Funds:**
Transport for the North funding package linked to Northern Transport Strategy (to be published 2016)

Sustainable and Inclusive Transport £24.6m

LTP monies to support delivery of SCR Transport Strategy £8.7m (proposed)

### Housing

**Portfolio:**
- Housing & Residential offer
- Joint Assets Board

**Funds:**
Housing Investment Fund (proposed)

Additional resources through the rationalisation of the SCR Public Estate (proposed)

### Skills, Employment & Education

**Portfolio:**
- Skills
- Employment
- Education

**Funds:**
Skills Capital £28m

### Infrastructure

**Portfolio:**
- SCRIF & JESSICA
- Infrastructure Investment Plan
- Broadband
- Enterprise Zone

**Funds:**
SCRIF £211.4m

Enterprise Zone accelerator £5m

JESSICA commercial property development fund £23m / Growing Places Fund £18.5m

### SCR Cross - Cutting funds

Single Pot – to comprise additional funding of £30m per year over 30 years totaling £900m of investment for boosting growth plus SCR share of other national funding streams (proposed)

EU Structural and Investment Fund (ESIF) 2014 to 2020 - £154m allocated comprising £90m Development Fund (ERDF), £61m Social Fund (ESF) and £3m Rural Development (overall allocation subject to exchange rate fluctuations – SCR seeking Intermediate Body status to administer funds)

Business Rates Localisation - growth in business rates income in excess of agreed baseline (proposed).



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# Golden Rules

## Golden Rule One

All future projects brought forward for inclusion into the capital programme must follow and adhere to the new capital project approvals process/governance procedures. Therefore project managers must ensure they follow the designated process for completing and gaining the relevant sign off for:

1. Strategic Outline Case
2. Outline Business Case
3. Capital Approval Document

Projects will not be included into the capital programme and allocated a project account unless these processes have been followed.

## Golden Rule Two

Rotherham Council's annual financing costs for discretionary capital financing (not including Invest To Save) should not rise above the self-imposed ceiling of 10% of its Net Revenue Budget (Net Revenue Stream) over the plan period and any future periods. Note this is for General Fund projects, excluding the HRA which has its own borrowing principles.

- Financing costs include both interest and minimum revenue provision (MRP) costs.
- As revenue budget levels come under pressure during the plan period it is critical that financing costs do not rise to unaffordable levels. This will protect revenue funding for direct service delivery.
- This rule will not be affected by Invest to Save projects as any discretionary financing costs for such projects will be met by the scheme directly and projects of this nature are delivered to provide budgetary savings and wider benefits.
- This will result in a significant reduction in the ability of Rotherham Council to borrow to fund the Council's Capital Programme over the plan period.
- Implementation will result in prudent and affordable prudential borrowing for discretionary capital investment over the plan period to support the Council's Capital Programme.

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## Golden Rule Three

In the Local Government Finance Settlement, announced in December 2015, the Government is looking to introduce new flexibilities on the use of capital receipts from the 1st April 2016. As currently proposed, for a three year period, this will allow capital receipts received from that point to be used for revenue expenditure, where the revenue expenditure is improving the efficiency of the local authority. Therefore, any capital receipts received from that date will be earmarked to fund revenue expenditure of this nature, in the first instance.

With regard to the historic capital receipts that the Council holds, these will be used to fund the delivery of capital projects with the focus on short life assets, typically less than a 10 year asset life. This will help to increase the affordability of short-term capital projects and minimise the Council's borrowing costs, by matching the funding resources to the appropriate projects. This will aid the Council in ensuring that the Minimum Revenue Provision within the revenue budgets is maintained at a manageable level.

Capital receipts generated will continue to be pooled together within a corporate pot to be allocated out through the capital programme approvals process, via the Strategic Capital Investment Group (SCIG) and Strategic Capital Investment Board (SCIB).

## **Golden Rule Four** (Financial Appraisals)

All capital projects will be subject to a series of financial appraisals carried out by the relevant capital business partner in conjunction with the project lead. These financial appraisals will be carried out on all options as part of the detailed Outline Business Case assessment stage.

The key financial appraisal techniques that will be used are Net Present Value (NPV), and Internal Rate of Return (IRR). NPV will be the key financial assessment tool. NPV calculations will be carried out using the Council's current cost of capital 4.6% plus 2% (to allow for risk).

Where a scheme is an Invest To Save programme of works it must generate a positive NPV. Where projects are being carried out that are not Invest to Save projects but have been selected based on the basis of a wider social impact, the options appraisal will still be carried out with NPV being used as an financial indicator of value for money. NPV will indicate which of the potential options is most cost effective. However due to the nature of the Council's activities/role some projects of this nature may not select the project with the strongest NPV, in these cases the wider social impact of the proposed scheme must be sufficiently presented to SCIG/SCIB as part of the approvals process.

## Golden Rule Five

Efficiency savings should be sought through the combining of capital projects that are carrying out similar works and can therefore be combined to form one tender process, to enable a more efficient and cost effective tender process and contract to take place.

For example, combining tender contracts for roofing works across services such as Schools, Housing and Corporate Property, rather than having 3 separate tender processes will assist with cutting the costs of procurement and ensure we can deliver better economies of scale.



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## Golden Rule Six

Capital projects must meet the requirements of being capital expenditure. In England and Wales, there are three routes by which expenditure can qualify as capital under the framework

1. The expenditure results in the acquisition, construction or enhancement of fixed assets (tangible and intangible) in accordance with 'proper practices'.
2. The expenditure meets one of the definitions specified in regulations made under the 2003 Local Government Act.
3. The Secretary of State makes a direction that the expenditure can be treated as capital expenditure.

During the initial design stages of capital projects costs may be incurred for design fees, surveys and feasibility studies when preparing appraisals of possible delivery options. It is important to note that only the costs in relation to the chosen option can be capitalised.

## Golden Rule Seven
(Contingencies, Sanctions and Grants)

**Contingencies:**
All capital projects should include a contingency budget to cover any costs from unforeseen circumstances such as delays, contractor disputes etc. These contingencies should be set at either 10% of the capital project budget, or budget specified by the project's Quantity Surveyor.

In the event that the QS specifies a contingency greater than 10%, the justification for the increased contingency level must be clearly explained within the Outline Business Case and Capital Approval Document.

For the avoidance of doubt the contingency must be built into the projects budget. No additional funding will be provided for use as a contingency.

**Sanctions:**
Sanctions will be applied to the relevant service area where a capital project budget has not been managed effectively. In the event that a capital project overspends the financing costs of the additional expenditure will be charged to the revenue budget of the service concerned. This will help control and provide clear budgets for borrowing repayments, as well as reaffirming the need for effective budget management by the Council's project management teams.

In the event that there is a dispute over the responsibility of the project's overspend, the Strategic Capital Investment Group (SCIG) will review the circumstances to make a recomendation to SCIB on how the overspend will be treated.

**Grants:**
Where capital projects are approved on the basis that they are to be wholly funded via capital grants, they will not be supported with additional borrowing. Any pressures on these capital projects must be reported through the council's capital project governance with requests for additional resources to be addressed with the grant provider.

Grant funded projects will only be included within the capital programme once the grant award letter has been completed and we have assurance that the income expected can be realised.

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# Capital Programme Development

This section of the Capital Strategy outlines the specific details of projects included within the existing approved Capital Programme, as well as explaining our vision for future capital investment. It is important to separate the current approved programme that we intend to deliver, from the future investment opportunities which we hope to deliver, but are dependent upon strategic plans and funding availability. Projects that we are looking to include within the future Capital Programme are at a variety of stages in their development, from just being an initial project outline for consideration for funding or strategic backing, to more established projects that have been identified as a strategic priority and have reached the Strategic Outline Case Stage (SOC)/Outline Business Case (OBC) stage. Therefore, development of the forward Capital Programme has been broken down into the following three key stages:

**Stage 1: Approved Capital Programme:** Projects already included within the programme which are being delivered.

**Stage 2: Agreed in principle:** Projects to be included within the Capital Programme as they are critical, strategically important, or fully resourced.

**Stage 3: Development Pool:** Projects at this stage of development have been recognised as being something the Council wishes to consider for future capital investment, but at this point they are not ready to be brought forward for approval. The reason they are not ready for approval will be due to funding availability or strategic approval (i.e. inclusion within the Council's Growth Plan, Town Centre Matersterplan or Asset Management Strategies). A key element of this stage are the projects which have been put forward for funding approval from the Sheffield City Region.

It is vital that we prioritise the development phases of the Capital Programme into these stages, so that we can be clear within the Capital Strategy on what we intend to deliver (Stage 1), what we aim to deliver providing business cases are robust (Stage 2), and what our vision is for future Capital Programme delivery (Stages 3).

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# Stage 1:
## Approved Capital Programme

**The Council's current approved programme for the two year period 2016/17 to 2017/18 will deliver on the following key Council priorities:**

- £15.3m investment in highway infrastructure projects and maintenance to improve the Borough's roads.
- £2.4m investment in street lighting to enable revenue savings by investing in new lighting technology.
- £3.3m investment in critical building condition works
- £72.9m investment in new housing and improvements to existing stock, the estate infrastructure and support to enable people to stay within their home through Disabled Facilities Grant (Private), and Adaptations (Public).

**The revenue funding implications arising from the Approved 2016-2018 Capital Programme have been factored into the Council's capital financing budget and Medium Term Financial Strategy (MTFS). The approved programme of £98.672m is detailed below by theme**

- All projects within Rotherham's approved Capital Programme are fully funded. By far the largest funding source is the HRA Major Repairs Allowance and HRA revenue contributions. These resources make up 67% of the overall Capital Programme.
- As can be seen below, the Programme is reliant on additional prudential borrowing of £13.003m, the financing costs attributed to this borrowing will be met in the revenue budget and as such have been built into the MTFS.

| Stage 1 Approved Capital Programme 2016-18 (£m's) | Stage 1 Expenditure | Grants & Other Contributions | Major Repairs Allowance | Prudential Borrowing | Revenue Contribution to Capital Outlay | Usable Capital Receipts |
|---|---|---|---|---|---|---|
| | £m | £m | £m | £m | £m | £m |
| Improving Highways & Infrastructure | 17.754 | 10.966 | - | 6.788 | - | - |
| Housing & Neighbourhoods Investment | 72.967 | 2.103 | 42.435 | 1.680 | 24.449 | 2.300 |
| Key Invest To Save | 2.240 | 0.640 | - | 1.600 | - | - |
| Buildings Critical Condition | 3.327 | 2.776 | - | 0.551 | - | - |
| ICT Critical Condition | 2.384 | - | - | 2.384 | - | - |
| Grand Total | 98.672 | 16.485 | 42.435 | 13.003 | 24.449 | 2.300 |



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## Committed Major Projects

Some of the larger projects the Council will be delivering within the current approved Capital Programme include:

| Theme | Scheme Name | Scheme Description | Scheme Cost £m |
|---|---|---|---|
| Investment in Highways & Infrastructure | Upgrading Street Lighting | Includes the LED lanterns and column replacement programme.<br>Two projects to improve the lighting infrastructure and reduce energy costs. | 2.456 |
| | Improving Highways Infrastructure | In addition to grant funding for highway maintenance, the approval of £2m to the capital programme for highway maintenance and improvements to non-principal roads to be funded by prudential borrowing.<br>It is expected that the funding will permanently repair 50km of the unclassified road network. Works will be targeted to maximise the improvement to the durability and condition of the network. | 7.532 |
| | Sustainable Transport - STEP 2 | The STEP 2 programme aims to deliver exemplar sustainable transport. The funding will be used to deliver improved walking and cycling access into Rotherham Town Centre and highway improvements on the A630 Centenary Way around Rotherham Town Centre. | 1.856 |
| Housing & Neighbourhoods Investment | Refurbishment of Council Dwellings | External and internal refurbishment to Council dwellings including work to windows, roofs, rain water goods, over shower baths, and external wall insulation. | 27.710 |
| | Fair Access For All – Aids and Adaptations | Aids and adaptations to Council dwellings and private sector properties to enable people to live independently. | 8.800 |
| | Replacement of Central Heating Systems | Replacement of central heating systems to Council dwellings. This is an ongoing programme of central heating replacements in order to reduce the revenue burden, as a result of increasing repairs to buderus and alpha boilers. | 6.522 |
| | Housing Growth - Strategic Acquisitions | A programme of building and purchasing new houses to increase stock numbers. 25 new homes have been constructed at Barbers Avenue, Rawmarsh. In addition we have purchased 10 properties at Wadsworth Road, Bramley and 31 properties at Sawn Moor Ave, Thurcroft. | 12.210 |
| | Decent Homes Voids Programme | Refurbishment work to bring void properties back to an agreed standard. Major voids occur when the cost of bringing a property up to the lettable standard exceeds £4,000. This often occurs where a previous tenant has refused decent homes work and so properties now require new kitchens, bathrooms or central heating systems. | 5.200 |



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|---|---|---|---|
| **Key Invest to Save Infrastructure** | **Property Adaptations – Increasing foster care placements** | Works to private properties to increase Borough capacity for foster care placements.<br>The project generates revenue savings as a result of a reduction in out of authority placements. | 1.600 |
| **Critical Building Condition Works** | **Capitalised Minor Enhancements – Schools** | Grant funded programme for minor works at schools dealing with condition and suitability issues, including extensions and refurbishment works | 1.800 |
| | **Devolved Formula Capital Grant – Schools** | Grant paid annually to schools for them to spend on small capital projects. Funding has to be spent within 3 years of receipt. | 0.537 |
| | **Library** | Library and Customer Services have been working with Brinsworth Parish Council and colleagues in the Corporate Property Unit for some time to develop options to sustain and improve the library service within the area. Following consultation within the local community, the Parish Council is leading on and has submitted bids for external funding to support the development. | 0.499 |
| **Critical ICT Infrastructure Works** | **ICT / Digital Strategy** | Funding allocation in respect of key projects within the Council's ICT and Digital Strategy. A 2015/16 ICT Delivery Plan has been approved. This encompasses expenditure on core networking equipment, server replacements and web filtering device upgrades. The 2016-2019 Digital Council Strategy is currently being developed. | 1.519 |
| | **Improvement to ICT use within Social Care** | Set up, purchase and implementation of Liquid Logic solution for CYPS and Adult Services.<br>This meets a key recommendation in the Jay report to "Address the severe deficits in the ICS system as a matter of urgency and procure a replacement system". | 0.395 |
| | **Technological Refresh** | Ongoing lap-top replacement programme as IT kit reaches the end of its useful life. To ensure the continuation of service provision. | 0.470 |



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# Stage 2:
## Agreed in principle

These are additional projects over and above those already in the approved programme, to be included and financed in the new capital programme 2016 – 2021. These were agreed following an initial prioritisation process carried out with services, Commissioners and Cabinet members. Projects here are being included as they are critical works, strategically important, or fully resourced.

The result of this prioritiation process has led to projects receiving agreement in principle to the value of £180.423m set across the key theme areas detailed below. In addition to the existing approved Capital Programme of £98.672m, this would give Rotherham a Capital Programme of £279.095m. The graph illustrates how the Capital Programme will look over the next 5 years, based on the approved Programme and the assumption that all the agreements in principle are approved for inclusion in the Capital Programme.

| Stage 2 Agreed In Principle 2016-21 (£m's) | Stage 2 Expenditure | Grants & Other Contributions | Major Repairs Allowance | Prudential Borrowing | Revenue Contribution to Capital Outlay | Usable Capital Receipts |
|---|---|---|---|---|---|---|
| | £m | £m | £m | £m | £m | £m |
| Town Centre Development | 17.000 | - | - | 7.000 | - | 10.000 |
| Improving Highways & Infrastructure | 55.504 | 44.499 | - | 11.005 | - | - |
| Housing & Neighbourhoods Investment | 77.840 | - | 77.700 | 0.140 | - | - |
| Key Invest To Save | 11.360 | - | - | 11.360 | - | - |
| Buildings Critical Condition | 5.709 | - | - | 5.709 | - | - |
| ICT Critical Condition | 7.625 | - | - | - | - | 7.625 |
| Housing Growth Projects | 0.385 | - | - | 0.385 | - | - |
| Development Fund | 5.000 | - | - | 5.000 | - | - |
| Grand Total | 180.423 | 44.499 | 77.700 | 40.599 | 0.000 | 17.625 |

The table above illustrates by theme the stage 2 agreed in principle capital schemes, including the funding identified.



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## Town Centre Investment (£17.000m):

The continued regeneration of the Town Centre offer, to build upon the successes of projects like the award winning High Street redevelopment, has been identified as a key priority by Commissioners and Advisory Cabinet Members. The Council is developing a town centre master plan, which will determine which town centre projects will be brought forward as a strategic priority.

However, the Council has already identified a number of key themes for the redevelopment and regeneration of the town centre, which will inform the master plan and our ambition for this Capital Strategy. These include:

- Enhancements to the town centre retail offer, including improvements to the Markets Complex and building on the success of the Townscape Heritage Initiative, a further Heritage Lottery Fund Bid to complete the High Street redevelopment and then begin to redevelop Westgate.
- Enhancements to the town centre leisure and night time offer. One of our key ambitions is to bring a cinema into Rotherham. This would bring a sea change to how the town centre is viewed, which in turn will attract secondary restaurant, shop and bar developments, to revitalise the town centre in the evening, as well as improving the day time offer.
- Improvements to the Transport Interchange, to address current condition and public safety issues. The aim is to create a new, brighter, safer environment and address some of the issues around CSE in and around the existing Interchange.
- Development of key strategic sites, including Forge Island, Westgate/Sheffield Road and the town's water side.
- Residential Development in the town centre. A key ambition is to increase the number of residential properties in the town centre, which will complement and support our leisure and retail ambitions. Exploiting key strategic transport developments such as the tram-train and Bus Rapid Transit (BRT) North, which will improve the access between Parkgate, Rotherham and Sheffield, the Council is looking to bring derelict and vacant sites forward for residential use.

- HE Campus Development. The Council are working with Rotherham College to develop a Campus on the Doncaster Gate site to cater for the increased numbers of HE students that they are attracting. The Campus will assist in developing a workforce that can meet the needs of Rotherham's businesses, to support their growth ambitions. In addition, it will increase footfall in the town centre. The College has approached the Council for a loan to help finance the development.

The Council is also working closely with the Sheffield City Region to identify funding for our town centre master plan projects. In addition, we will work closely with the private sector to identify development opportunities and will provide gap funding where sensible to do so.



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## Improving Highways & Infrastructure (£55.504m):

The Borough's highways connect people to jobs, education, shopping, recreation and services. They are an essential part of the overall transport network and we need to maximise their potential to connect people to places in a safe and sustainable way.

The highway network is an essential and valuable asset. Rotherham Council is responsible for 712 miles (1,143 km) of local highways network and it is the most valuable community asset under our control, currently valued at around £1.650 billion (Depreciated Replacement Cost).

It includes roads, footpaths, street lighting, road markings, road signs, safety barriers, traffic management systems, drainage systems and bridges. Note: the Department for Transport also manages some roads in the Borough - the combined 16 miles (25km) length of the M1 and M18 Motorway network.

The highways commitments put forward are linked to the Corporate Plan and aim to:

- Market Rotherham as an attractive business location.
- Make sure Rotherham's roads and footpaths are safe to use and that the condition is as good as (or better) than the national average.

A sample of the key highways projects put forward for inclusion into the Capital Programme are detailed below. The specific aims and objectives of the Highways Capital Programme can be found within the Highways Asset Management Plan (HAMP). A total of £55.504m has already been ring-fenced from the Sheffield City Region Investment Fund for two major highways projects (Parkway Widening & Waverley Link Road), on the basis that the feasibility studies and detailed business cases are completed and approved.

| Scheme Name | Scheme Description | Total Scheme Cost £m |
|---|---|---|
| **Highways Improvement Plan – Unclassified Road Network** | To improve the condition of the highway network and in particular the unclassified carriageway network, with an additional investment of £10m over five years. There will be a requirement to ensure that an investment of around £6m (from various funding streams) per year is allocated to maintain and improve the network.<br>This project will enable the condition of the unclassified highway network to achieve national average condition, in accordance with the Council's corporate priority. This would build on the already approved £5m investment for 2015/16-2016/17. The outcome would be that the unclassified roads in Rotherham are at, or better than, the national average condition. | 10.000 |
| **Herringthorpe Valley Flood Alleviation Scheme** | This project has been identified on the Environment Agency's Medium Term Plan for Flood Defence Projects. The proposed scheme will create a flood storage area in parkland upstream of the flood risk area. Furthermore, the Council will explore the possibility of introducing a wetlands feature within the Council owned land, in partnership with the Council's leisure and community services. As a result of the scheme, 112 residential properties and 4,877m2 of non-residential property would have a reduced risk of flooding. | 0.275 |



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| | | |
|---|---|---|
| **Waverley Link Road (SCR Request)** | 1.9km link road connecting the Waverley new community at Highfield Lane with the B6064 Furnace Lane in Woodhouse Mill. The project will lead to improved traffic flows and better access to the Advanced Manufacturing Park at Waverley.<br>Approval has already been secured for the initial feasibility studies to be carried out on this scheme. The expenditure shown here is for the physical delivery of the major capital works, which will be funded through a combination of SCR/DfT grants and a developer contribution. | 9.800 |
| **Parkway widening (SCR Request)** | Widening of the A630 Parkway from 2 lanes to 3 from the Europa Way junction to the M1. The project will deliver improved traffic movements/flows in the Sheffield-Rotherham Corridor. Council approval has already been secured for the initial feasibility studies to be carried out on this scheme.<br>The expenditure shown here is for the physical delivery of the major capital works. Funding of £42.26m is being sought from the Sheffield City Region / Department for Transport, this includes £8.82m in 2021/22 which is outside the time frame of this five year strategy. In October 2015 the Sheffield City Region approved the Outline Business Case for the project and recommended that it proceeds to the Detailed Business Case stage. | 33.440 |

## Housing & Neighbourhoods Investment Commitments (£77.840m):

To follow on from the existing £72.967m HRA programme, a further 3 year HRA Capital Programme is being developed, that will tackle the key issues facing Council housing provision in the Borough over the period 2018-21. The HRA programme as a whole is under a review process, following the changes to rent policy made by Central Government and as such the programme level is subject to change. This element of the programme is entirely funded through ring-fenced HRA resources, if the available resources reduce the programme will have to be adjusted accordingly.

## Area Assembly Investment

This investment will provide a small capital pot £0.140m for public realm works, parking schemes, highways improvement works etc. at individual local neighbourhood areas. The premise being that each local neighbourhood area will be able to identify what the key issues are within their area and prioritise how their budget is allocated to these issues. This project will increase collaboration between the community and the Council.

| Scheme Name | Scheme Description | Total Scheme Cost £m |
|---|---|---|
| **Council Housing Investment Programme** | Annual Housing Investment programme to maintain decency, carry out stock improvements, aids and adaptations and new stock provision, energy efficiency and environmental works to our 21,000 council homes.<br>An annual programme of £30m is built into the Capital Programme for 2015-18. 21,000 Council homes meet Rotherham decent homes plus standard and we continue to improve access and reduce CO2 emissions. | 77.700 |



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## Key Invest To Save Projects (£11.360m):

Invest to Save projects are projects that can demonstrate through the business case process and financial appraisal, that the benefits of the project (savings made year on year) are sufficient to cover the financing costs of the borrowing to complete the project. Therefore, the savings made year on year during the useful life of the asset, will be greater than the cost of repaying the borrowing used to fund the project.

Examples might include an investment in an energy efficient boiler, resulting in lower annual running costs, or an investment in a new car park generating an additional income stream.

The cost of additional borrowing arising from Invest to Save projects is built into the Medium Term Financial Strategy, including where it will be funded from within the revenue budget. Revenue savings generated by the project are also reflected in revenue budgets. This information is key to ensuring that the MTFS and Capital Strategy interlink, but also will form vital performance information over the longer term, as we assess the actual impact of these projects on future cashflows.

Within the current Capital Programme commitments there are three Invest to Save projects that have been through the initial evaluation process by Advisory Cabinet Members and Commissioners, however, we do have a number of these projects on a potential scheme list. In future years Capital Programme reviews some of them may be brought forward as a capital project request, to be considered for full inclusion into the Capital Programme.

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The two projects below have been identified as key Invest to Save projects that are of strategic importance.

| Scheme Name | Scheme Description | Total Scheme Cost £m |
|---|---|---|
| **Extra Care Housing Scheme** | To deliver a 70 bed Extra Care Housing Scheme (for older people) and provide new complementary residential housing.<br>This project meets cross cutting objectives between Housing, Adults and Health services. Budget savings will be realised through property and service rationalisation. The proposed Extra Care development will enable older people to live independently for as long as possible. This will reduce the pressure on existing budgets, as care packages can be added flexibly as and when required, based on need. | 10.560 |
| **Maltby Library Relocation** | Relocation of Maltby Library from a separate building into the Maltby Joint Service Centre. Maltby Library is located 200 metres from Maltby JSC, which is a PFI building that houses a Sports & Leisure centre, Customer Service Centre, NHS-GPs, Pharmacy and a localities office for Rotherham and the NHS teams.<br>It is proposed to reconfigure the Customer Service Centre on the ground floor to include a library. The existing library site could then be combined with the adjacent Fire Station, due to close in 2016, and some unused green space land, to create a mixed use retail and residential site.<br>Note: a consultation process will be carried out before any decision and actions are taken. | 0.275 |



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## Critical Building Conditions Work (£5.709m):

This programme of works is focused on maintaining the operational functionality of Council owned buildings such as office space, markets, libraries and museums.
A detailed assessment of the Council's future corporate asset requirements is currently underway. This will help to define the future use of these buildings, which in turn will define the level of improvements required. In the interim period the programme of works put forward is specifically to target critical works required to tackle health and safety issues, which would put the occupants at risk, and the Council at risk of failing in its duties under Health and Safety Standards, and therefore be unable to continue to provide services from these buildings.

Some of the main projects put forward are detailed below:

| Scheme Name | Scheme Description | Total Scheme Cost £m |
|---|---|---|
| **Operational Buildings Capital Investment** | The aim of this project is to allow the Council to catch up on backlog maintenance on its operational estate. To ensure the Council has an effective, good condition estate that is suitable for the Services provided by the Council. The programme of works will help reduce revenue maintenance costs, however, it will require significant support from Services to establish a prioritisation of work and a clear asset management plan.<br>Lack of investment in the estate will create health and safety issues and potential reputational risk and potential service delivery failure. The expenditure profile shown is based on a do-minimum option, covering the costs of maintenance to ensure the buildings remain functional. | 3.294 |

| Scheme Name | Scheme Description | Total Scheme Cost £m |
|---|---|---|
| **Children and Young People's Service – Property Projects** | Property related projects to support the Children and Young People's Service Improvement Plan. The works are subject to the outcome of operational and locality reviews, including, but not limited to, Social Care and Early Help services. The works will include suitability and condition works to existing Council buildings. | 0.900 |
| **Treeton St Helens Church Yard** | Inspections have found the retaining (and other boundary) walls are at risk of collapse. The graveyard annex is dangerous for visitors and staff who maintain it, due to many of the graves sinking and the memorials collapsing. The project will rebuild all the retaining walls to the relevant standards and stabilise the retained land and the individual graves. | 0.450 |



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## Critical ICT Infrastructure works (£7.625m):

This programme of work is focused on maintaining the operational functionality of the Council's ICT Infrastructure. A detailed assessment of the Council's ICT requirements has taken place, which has identified key areas for investment to maintain the current services, as well as identifying areas where improvements are required. The projects delivered by this new Strategy will directly support service delivery and will have a critical role in supporting the achievement of Rotherham's Improvement Plan priorities.

The proposed 2015 to 2019 Digital Strategy is just one of a series of interlocking strategies that will allow the Council to deliver

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The main areas of ICT which require capital investment relate to:

- ICT systems that are out of warranty and therefore prone to maintenance issues/costs, leading to delays in service provision.
  In most cases these systems are no longer capable of running the latest business systems, leading to performance and efficiency problems.
- ICT systems that have reached the end of their useful life, where maintenance and security patches will no longer be released by the manufacturer. Failure to rectify this will expose the Council to security and performance risks and will preclude the Council from gaining an accreditation to the Public Services Network (PSN).
- A sample of the ICT infrastructure works are detailed below:

| Scheme Name | Scheme Description | Total Scheme Cost £m |
|---|---|---|
| **Computer Refresh Laptop, desktop and tablet replacement** | Over 50 % of the current laptop device estate is over 6 years old. These devices are out of warranty and are breaking down more, leading to an increase in IT support costs. They are not capable of running the latest business systems, which is causing performance and efficiency problems for staff. The current IT asset policy requires that devices are replaced every 4 years.<br><br>The proposal is to continue the existing do minimum replacement rolling programme. There is an existing annual capital approval of £470,000 with funding for 2016/17 already included within the Capital Programme. | 2.860 |
| **Networking Equipment Refresh Replacement of core networking equipment.** | The IT networking equipment is coming to the end of its useful life. Maintenance and security patches will not be released by the manufacturer for this equipment. There is a statutory responsibility to provide a secure network for our data. Failure to do this work will expose the Council to security and performance risks and will preclude the Council from gaining an accreditation to the Public Services Network (PSN). Services using the PSN, such as Revenues and Benefits and registrars, will be disconnected. The Council's reputation for security will be damaged and networking failures will increase.<br><br>Funding of £170,000 was approved as part of the ICT Delivery Plan 2015/16. | 2.363 |



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## Development Fund (£5.000m):

The Economic Growth Plan identifies a priority action to set up a Property Investment Fund to bring forward employment sites within the Borough. Experience through the R:evolution development on the AMP demonstrates that Rotherham can invest to bring forward development and enable economic growth, that if reliant on the private sector would either stall or be significantly delayed.

The Growth Plan also identifies the priority to develop strategic packages of sites to maximise growth, working with landowners, public and private sector partners to develop site packages and phased regeneration plans for growth zones. To effectively negotiate with land owners and exert influence over the strategic development of sites, Rotherham will need to have fiscal incentives to hand, of which a Property Investment Fund would be one.

Another key intervention from the Growth Plan is to create a "Rotherham Investment Product", which is supported by a business facing culture within Rotherham; promoting the Local Authority as an organisation that works effectively with business. The product will set out a menu of options that will enable the Local Authority to be more receptive to business investment and negotiate bespoke deals, to attract or retain businesses within the Borough, by removing barriers to investment and growth.

It is clear that if Rotherham is going to be credible in negotiating with the private sector, there needs to be a fiscal option within this menu, which should include being able to make property investments.

| Scheme Name | Scheme Description | Total Scheme Cost £m |
|---|---|---|
| Development Fund | Economic Development / Growth Fund - To provide a fund to pump prime capital developments, which can be shown to deliver jobs and business rates to the Borough. Awards would be loans or purchases with a quick sell on, or a guaranteed income stream; so the Fund will be revolving.<br>The project aims to provide more sites and buildings for economic growth, increased business rates and increased employment for local residents. | £5.000 |



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# Stage 3:
## Development Pool

Stage 3 represents some of the most significant proposals for future capital investment within the borough. It includes projects which will deliver major improvements in key strategic areas such as highways, town centre regeneration, and housing and economic growth. These projects have been included within stage 3 as they have significant funding shortfalls or require strategic approval (i.e. inclusion within the Council's Growth Plan, Town Centre Matersterplan or Asset Management Strategies).

A number of these projects have therefore been identified as potential projects to be funded from the Sheffield City Region, using its resources gained under the proposed Devolution Deal.

| Stage 3: Development Pool | Project Expenditure Total | Project Resources Total | Total Shortfall |
|---|---|---|---|
| | £m | £m | £m |
| Improving Highways & Infrastructure | 4.000 | 0 | 4.000 |
| Housing Growth Projects | 0 | 0 | 0 |
| Economic Growth Projects | 20.200 | 0 | 20.200 |
| Grand Total | 24.200 | 0 | 24.200 |

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## Highways & Infrastructure (£4.000m): Housing Growth Projects (£tbc)

A number of projects have been identified under the theme of Housing Growth projects that will be targeted to increase and improve the housing offer within Rotherham and enable us to meet Central Government set new housing delivery targets. We will be looking for support from the Sheffield City Region to find funding for these projects. At present, as they are in the initial project stages, costing is not available.

| Scheme Name | Scheme Description | Total Scheme Cost £m |
|---|---|---|
| Crinoline Bridge | This scheme comprises the refurbishment of Crinoline Bridge which carries the A630 Centenary Way, a section of Rotherham's inner bypass, over the River Don. Over the past 20 years severe leakage of the bridge joints has allowed chloride salts to penetrate and attack the concrete bearing shelves, abutments and pier. A full refurbishment of Crinoline Bridge will address the current condition of the structure and ensure that this major route is not subject to disruption due to restrictions or closure. DfT grants will be sought for this project. | 4.000 |
| Residential development in Town centre (SCR Request) | Rotherham Town Centre has the potential to develop an additional 2,000 new homes.<br>This proposal is about supporting both private and public sector residential development, to take place where the market is unable to deliver, by dealing with site abnormals and constraints. Support could also be in the form of utilising Council owned strategic sites in the town centre as assets, to support development and assembling sites through strategic acquisitions with capital investment.<br>A request has been made via the HCA for site infrastructure funding to help with flood alleviation and other site abnormal development costs. | tbc |



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## Economic Growth Projects (£20.200m)

A number of projects have been identified under the theme of Economic Growth that will be targeted to boost the local economy, creating jobs, making Rotherham an attractive location for major businesses, and increasing the quality and offer of local district centres. We will be looking for support from the Sheffield City Region to find funding for these projects. At present, as they are in the initial project stages, costing is not available.

| Scheme Name | Scheme Description | Total Scheme Cost £m |
|---|---|---|
| **New Rotherham Mainline Railway Station (SCR Request)** | Potential provision of a new railway station to enable mainline passenger services to serve the Rotherham central urban area. Parkgate has been identified as the most appropriate location. In conjunction with the tram-train link to the town centre, a new station could provide a park and ride site that would serve much of Rotherham's urban area. A new station would bring significant economic benefits, resulting in an annual GDP uplift of £26m, and provide direct access to 6 of the UK's top 10 Cities. This is in line with the aims of the Growth Plan and would increase the number of new businesses starting up in the borough, grow existing businesses and attract businesses to locate and invest in the borough. | 15.1 |
| **Todwick North Development Site (SCR Request)** | 30 hectare site proposed for economic development in the emerging Local Plan. The site is intended to attract major inward investment by accommodating one or more large users, or through the development of smaller plots, which will comprise a high quality business park. The site will be delivered by the private sector, however, the Council may wish to consider any assistance which enables the site to come forward, or reduces the risk of non-delivery.<br><br>Todwick North will achieve the aim of providing more sites and buildings for economic growth, leading to an increase in business rates and employment for local residents. The current timetable is that the plan is adopted in early 2017, so that the site would be allocated for development and removed from the green belt. The site would then go through the planning process, with infrastructure enabling works following. On this basis development would start in 2018/19 at the earliest. | tbc |



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| Scheme Name | Scheme Description | Total Scheme Cost £m |
|---|---|---|
| **Advanced Manufacturing Innovation District (AMID)**<br>**(SCR Request)** | The AMID brings together universities, Local Authorities and the private sector around a 2,000 acre centre of excellence in metals and materials manufacturing, spanning the Rotherham-Sheffield border that will accelerate and enhance the growth potential of businesses encompassing design, technical services, professional services and distribution across the whole of the SCR.<br>AMID builds on the research and innovation capacity of the Advanced Manufacturing Park (AMP). It is a flagship project for the Northern Powerhouse and is specifically referenced in the Devolution Deal. AMID will transform business and investor perceptions of SCR as a place to invest, where world-leading innovation is driving an advanced economy.<br>The Council will master plan the area between the AMP and the town centre and deliver strategic interventions to connect the town centre and Templeborough, including Magna, with the AMID core. This will address the need to expand the core within the next 5 years and unlock the potential for up to 6,000 homes in and around the town centre creating a place for people to work, live and spend their leisure time. | tbc |
| **New Incubation Centre (Successful Centres) - Hellaby/Maltby**<br>**(SCR Request)** | Rotherham Investment and Development Office (RIDO) would like to add a fifth Incubation Centre to their existing portfolio of successful centres. The ideal location would be around the M18, Hellaby/Maltby area. This particular area has been selected due to the popularity of the Matrix@Dinnington Business Centre, which is currently 100 % occupied. A number of enquiries have been made by start-up/early stage companies showing an interest in starting a business in this area.<br>The current successful business incubation model will be used in a new development, which would be a 30,000 sq. ft. centre. This would be a mixture of both office and workshop space, offering approximately 45 – 50 units, split 60/40 office/workshop space. The new centre will also provide co-working space, a new resource to the existing RIDO Business Centres operation.<br>A new facility would assist in the creation of new start-up businesses and employment opportunities in the Rotherham, Sheffield City Region area. | 5.1 |



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# Funding Streams

There are a wide variety of funding streams available to the Council to enable it to resource the capital programme expenditure. Each of them have their own set of rules, regulations and restrictions that dictate how and when they can be used. The funding of the programme is therefore designed to maximise the use of ring-fenced and restrictive resources such as government grants and contributions to enable us to minimise our need for prudential borrowing. We also have sought to match resources to the nature of the assets being enhanced within the scheme, for example funding short term assets with capital receipts (ICT programme), and long term assets through prudential borrowing (Highways).

The tables to follow will provide a description of each of the funding sources that have been identified to resource the capital programme 2016-21. They also show the level of each funding stream against each approval stage.

## Carry Forward Requests

As the forward Capital Programme is refreshed and reviewed each year, we will need to consider any programme area carry forward requests. These will be factored into the Capital Programme planning for the year ahead, as well as being updated in detail once the current financial year has ended and we know what the true carry forward position is. The capital team will liaise with project leads to collate the carry forward requests, in order to take them through the approvals process.

The capital team will also take responsibility for ensuring the funding to meet the carry forwards can be rolled over into the new financial year, and for ensuring that these resources are appropriately controlled and earmarked.

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| Funding Source (£m) | Stage 1 Approved (£m) | Stage 2 Agreed In Principle (£m) | Total Funding (£m) |
|---|---|---|---|
| **Grants & Other Contributions**<br>**Grants:**<br>One of the largest sources of capital funding is external grants, which are primarily specific to service areas, such as the Highways Local Transport Plan (LTP), or Department for Education (DfE) School condition/basic need grants. Grants generally come with specific terms and conditions imposed by the funding body, which restrict what they can be spent on. Grants are also received through a myriad of government agencies to support specific projects or programmes of work. It is anticipated that with the growing devolution powers handed to the SCR, that more and more external grants will be channeled through this route, rather than through central government agencies/departments.<br>**Highways DfT** £53.206<br>**Environment Agency** £0.270<br>**Department for Communities and Local Government** £2.103<br>**Education Funding Agency** £3.416<br>**Other contributions** £1.989<br><br>**Section 106 (S106)/Community Infrastructure Levy (CIL) and External Contributions:**<br>Elements of the Capital Programme are funded by contributions from private sector developers and partners. Rotherham's Local Plan sets out where new developments are expected to take place and where additional infrastructure will be required, identifying the level of planned works and contributions required.<br>The Authority is in the process of adopting a borough-wide CIL. Once approval has been granted by Council, the proposals will be sent to Government for examination. Subject to this proceeding as planned, it is proposed that the CIL will be implemented in late 2016.<br>This will be a pressure area for the Council in the coming years as the levels of S106, CIL and external contributions are far lower than the anticipated levels of infrastructure improvements required. | £16.485 | £44.499 | £60.984 |



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| Funding Source (£m) | Stage 1 Approved (£m) | Stage 2 Agreed In Principle (£m) | Total Funding (£m) |
|---|---|---|---|
| **Major Repairs Allowance (MRA)**<br>The Authority makes an annual depreciation charge to the Housing Revenue Account (HRA), referred to as MRA, which is calculated on the basis of the cost of maintaining the HRA assets. This depreciation charge is transferred into the Major Repairs Reserve (MRR), and is used to fund capital expenditure within the HRA. | £42.435 | £77.700 | £120.135 |
| **Prudential Borrowing**<br>The introduction of the prudential code in 2004 allows the Council to undertake additional borrowing. This borrowing is subject to the requirements of the Prudential Code for Capital Expenditure for Local Authorities. The Council must ensure that unsupported borrowing is affordable, prudent and cost effective. This has provided the Council with the flexibility to borrow to support capital expenditure, as demand and business need have dictated the requirement to do so.<br>This type of borrowing has revenue implications for the Council, in the form of financing costs (interest and MRP), and these costs must be factored into both the decision to approve the scheme, the Treasury Management Strategy and the Medium Term Financial Strategy. This resource will be used in the majority of Invest To Save projects, as by their very nature the benefits from these projects will cover the financing costs of additional borrowing | £13.003 | £40.599 | £53.602 |
| **Revenue Contribution to Capital Outlay**<br>The Council can use revenue resources to fund capital projects on a direct basis and this funding avenue has been used in the past, it is known as a Revenue Contribution to Capital Outlay (RCCO). This method differs from revenue budgets picking up only the financing costs of capital borrowing, in that the revenue resources act as a funding stream to support the physical project costs. | £24.449 | £0 | £24.449 |



Draft Version

| Funding Source (£m) | Stage 1 Approved (£m) | Stage 2 Agreed In Principle (£m) | Total Funding (£m) |
|---|---|---|---|
| **Capital Receipts**<br>The Council is able to generate capital receipts through the sale of surplus land and buildings. The Council is seeking to maximise the level of these resources which will be available over the Strategy period, to support the Council's plans. There are 3 main types of capital receipts that the Council can generate:<br>• Capital Receipts – Land (Proceeds from the sale of Council owned land, these are unrestricted)<br>• Capital Receipts – Buildings (Proceeds from the sale of Council owned buildings, again unrestricted)<br>• Capital Receipts – RTB (Proceeds from the sale of Council housing to the tenants, ring-fenced to the Housing Investment Programme).<br>The use of capital receipts within the Capital Programme will be focused predominantly on short term assets, where the cost of bringing in external financing is high. The Government has recently introduced flexibilities on the use of capital receipts to fund revenue expenditure, where the expenditure is improving the efficiency of the local authority. Under these proposals this will apply from 1st April 2016 for a period of three years. | £2.300 | £17.625 | £19.925 |
| | £98.672 | £180.423 | £279.095 |



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# New Capital Governance

## Capital Strategy & Asset Management Plans

Until this year Rotherham did not have an overarching Capital Strategy. Clearly this needed to be rectified to ensure that the management of the Capital Programme could be effectively controlled and directed.

In addition, the Council has reviewed its existing capital governance arrangements to introduce a consistent approach across the Council and to ensure that detailed asset management strategies and plans are in place, and that they align with the Council's priorities and key documents. The priorities that flow out of these individual strategies have informed this Capital Strategy.

A key area of governance that the Council is looking to improve upon is the involvement of Members throughout the decision making and consultation process. It was clear that although Members were involved in the approval of the Capital Programme as a whole, the Council's governance did not consistently include Members at the outset and throughout the process of setting, reviewing and scrutinising capital projects coming forward for endorsement and ultimately inclusion within the Capital Programme.

Council and Advisory Cabinet Members will have a key role to play in the new governance procedures, with a new focus on ensuring that Members are involved in the consultation and decision making process from the outset and throughout. In reviewing the capital governance procedures and bringing forward a new five year capital programme we have sought to keep members up to date throughout. It is envisaged that through the Capital Strategy, Members will have the opportunity to review and scrutinise projects being considered for inclusion into the Capital Programme, with the aim that they will ultimately give their endorsement for these projects. These projects will then only be included within the Capital Programme once detailed business cases have been brought forward for approval.

### New Governance

The Chartered Institute of Public Finance and Accountancy (CIPFA) have produced a guidance document; 'Capital Strategies and Programming' (revised, Oct 2014), which has been the key guide document for this work on producing a Capital Strategy.

Following the CIPFA approach, 5 key work streams have been identified to develop a Capital Strategy and to ensure the implementation of the new Capital Programme approval process for the 2016/17 budget.

These are as follows:

(1) Creation of a Capital Strategy for Rotherham
(2) Creation of a Capital Programme for Rotherham – 2016/17 – 2020/21
(3) Improve Governance Procedures, Standardisation and Accountability
(4) Improve Systems and Reporting
(5) Improve Project Management Guidance

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## Creation of a Capital Strategy and a Capital Programme for 2016/17 to 2020/21

Evidenced by this document we are now in a position where we have a Capital Strategy, which we plan to review and update on an annual basis. The forward Capital Programme has also been extensively detailed within this document and will be refreshed in line with the new governance procedures on an annual basis.

## Improved Standardised Governance Procedures:

A new governance and approvals procedure manual has been developed, that takes project managers through a step by step guide as to how they can get a capital project approved. This new standardised process provides Rotherham with a robust approvals process, which has sufficient scrutiny and involvement from Commissioners and Advisory Cabinet Members. This process is mandatory for all capital projects.

An illustration of the approvals process for a capital project is shown on the next page. You can see here how each one of the key approval documents is taken through the relevant meetings for approval, before being included within the Capital Programme as a live scheme.

## Key Documents:

1. Strategic Outline Case (SOC) / Strategic Outline Programme (SOP)
2. Outline Business Case (OBC)
3. Capital Approval Document (CAD)

Standardised templates have been created for all these documents and for the financial approval document, the CAD, we are looking at a web based solution to manage, control and retain an audit trail of approvals. The CAD document will have three stages inclusion, variation and project closure.

***The project closure stage will be key for project leads to identify any lessons learnt during the delivery of the project that can be shared across the Authority to improve future performance.***



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## Key Documents:

Although there are now three key project documents the SOC/SOP and OBC to detail and seek approval for the specific nature of the project and then the CAD to seek financial approval and inclusion within the capital programme, not all capital projects will be required to complete all documentation.

For example a high budget, high profile project would be required to go through the full approvals process, completing a SOC, then OBC and finally a CAD. However a low budget, low profile, project with few complexities would only be required to complete the SOC and CAD as there would be no need for a more detailed business case.

The capital governance guidance provides a table to help you assess the level of documentation your project would likely require, however it is important to note that a project with a small budget, which is relatively simple could still be subjected to all three processes due to the reputational risk involved with the delivery of the project. Therefore the Strategic Capital Investment Group (SCIG) will advise on any schemes coming forward for approval if the SOC/SOP is sufficient or if the OBC will be required.

## New Meetings:

To assist with the new governance arrangements we have established two new meetings to sit between the Directorate Management Teams and Strategic Leadership Team (SLT).

**Strategic Capital Investment Group (SCIG)**

SCIG is responsible for the oversight of the Council's approved Capital Programme. Its role is to manage the approvals process and make recommendations to SLT on new project approvals, variations and completion reports. It also has a key role to play in the performance analysis of the Capital Programme, reviewing the financial performance of the programme on a monthly basis and reviewing the output/outcome performance.

**Strategic Capital Investment Board (SCIB)**

SCIB will provide the strategic level review of the Capital Programme, incorporating the need to bring in Advisory Cabinet Members into the approvals process and increasing the level of scrutiny and review of future capital projects. Its role will be to review the existing Capital Programme projects, new requests for inclusion into the Capital Programme and longer term project proposals.

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## Capital Approval Document (CAD) Automated System

One of the key gaps in the Council's previous capital approvals process was the lack of a specific, standardised approval document, to provide a clear audit trail of approval and therefore officer accountability.

The new Capital Approval Document, through the automated system that is being developed with IT, will provide a solution to these problems.

The new system will:
Provide a standardised document that all capital projects must complete before being included in the Capital Programme.

Through the automated circulation and sign off of CADs we will be able to cover the authorisation gaps and provide a clear audit trail of accountability for the approval.

The CAD will provide Finance, Advisory Cabinet Members, and project sponsors with access to a standard project template, that provides details of the key aspects of the project, so that they may quickly gain a clear understanding of what the project is trying to deliver.

## Improved Systems and Reporting:

The current method of reporting on the Capital Programme is through a quarterly report produced by Financial Services. The focus of this report is on financial performance, with the comparison being to the previous quarterly report. Other than through the narrative in the report, it is very difficult to determine the project's overall performance against budget, as the report presents information for the current and future years, and not on previous year's expenditure. It is also difficult to identify whether project outputs and outcomes have been achieved.

In order to improve the way that capital budgets are being monitored across the Council, and to improve transparency and the accountability of project managers, Financial Services have introduced a budget monitoring solution, Capital Collaborative Planning (CCP) across Directorates. This replicates the Council's current revenue budget monitoring solution, but across multiple years. The next step is to incorporate CCP in the Council's Business Analytics data warehouse, which would significantly enhance the timeliness and the scope of the reporting tools available. These new reports will form the basis of the regular monitoring reports to Commissioners / Advisory Cabinet Members.

## Improved Project Management Guidance:

The Council has developed standardised project management guidance and templates to be used by Council officers when developing major projects. This guidance is based on the HM Treasury's Green Book guidance, but tailored and simplified for Rotherham use. This is the key reference document when undertaking an evaluation on whether to proceed with a major project, either revenue or capital in nature.

New templates for Rotherham versions of the Strategic Outline Case, Outline Business Case and Full Business Cases have been developed, along with supporting procedural guidance.

The first step will be to produce a Strategic Outline Case (SOC), which will be a three / four page document, covering the following headings.

- Purpose of the project
- Strategic context
- Case for change
- Available options
- Timescale
- Preferred option
- Procurement route
- Funding and affordability
- Management arrangements

In many cases a document of this size will be sufficient to enable a project to be approved. More complex projects will require an Outline Business Case (OBC) before a project can be approved and the procurement process commence, which will form the basis of the Full Business Case (FBC), as the final stage approval, when contracts are ready to be let and the project commence.

The aim is to introduce robust, standardised project management processes, which provide the key information for decision makers. This will enable them to make sound judgments about the right investment decisions to deliver the Council's objectives, as set out in the Capital Strategy.



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# NEW CAPITAL PROGRAMME 2016-21

## INCLUDES CURRENT STAGE 1 APPROVED SCHEMES & STAGE 2 AGREED IN PRINCIPLE SCHEMES

| CAPITAL INVESTMENT THEMES | STAGE 1 (APPROVED) | STAGE 2 (AGREED IN PRINCIPLE) | TOTAL CAPITAL PROGRAMME |
|---|---|---|---|
| TOWN CENTRE DEVELOPMENT | £0 | £17,000 | £17,000 |
| IMPROVING HIGHWAYS & INFRASTRUCTURE | £17,754 | £55,504 | £73,258 |
| HOUSING & NEIGHBOURHOODS INVESTMENT | £72,967 | £77,840 | £150,807 |
| KEY INVEST TO SAVE | £2,240 | £11,360 | £13,600 |
| BUILDINGS CRITICAL CONDITION | £3,327 | £5,709 | £9,036 |
| ICT CRITICAL CONDITION | £2,384 | £7,625 | £10,009 |
| HOUSING GROWTH PROJECTS | £0 | £385 | £385 |
| DEVELOPMENT FUND | £0 | £5,000 | £5,000 |
| GRAND TOTAL | £98,672 | £180,423 | £279,095 |

| Town Centre Priorities | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Planning & Development Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **56/64/ 61/60** | Town Centre Investment **(NEW PROJECT – STAGE 2)** | Desirable Works - Retention of current service | The continued regeneration of the Town Centre offer, to build upon the successes of projects like the award winning High Street redevelopment, has been identified as a key priority by Commissioners and Advisory Cabinet Members. The Council is developing a town centre master plan, which will determine which town centre projects will be brought forward as a strategic priority.<br>However, the Council has already identified a number of key themes for the redevelopment and regeneration of the town centre, which will inform the master plan and our ambition for this Capital Strategy. These include:<br>• Enhancements to the town centre retail offer, including improvements to the Markets Complex and building on the success of the Townscape Heritage Initiative, a further Heritage Lottery Fund Bid to complete the High Street redevelopment and then begin to redevelop Westgate.<br><br>**TOWN CENTRE INVESTMENT CONTINUES ONTO PAGE 2** | Estimated Spend | 2,100 | 5,200 | 9,300 | 200 | 200 | 17,000 | £10m Capital Receipts |
| | | | | Identified Resources | 2,100 | 5,200 | 9,300 | 0 | 0 | 17,000 | £7m Prudential Borrowing |

**TOWN CENTRE INVESTMENT CONTINUED….**

- Enhancements to the town centre leisure and night time offer. One of our key ambitions is to bring a cinema into Rotherham. This would bring a sea change to how the town centre is viewed, which in turn will attract secondary restaurant, shop and bar developments, to revitalise the town centre in the evening, as well as improving the day time offer.

- Improvements to the Transport Interchange, to address current condition and public safety issues. The aim is to create a new, brighter, safer environment and address some of the issues around CSE in and around the existing Interchange.

- Development of key strategic sites, including Forge Island, Westgate, Sheffield Road and the town's water side.

- Residential Development in the town centre. A key ambition is to increase the number of residential properties in the town centre, which will complement and support our leisure and retail ambitions. Exploiting key strategic transport developments such as the tram-train and Bus Rapid Transit (BRT) North, which will improve the access between Parkgate, Rotherham and Sheffield, the Council is looking to bring derelict and vacant sites forward for residential use.

| Town Centre Priorities | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | | |
| **Service Area** | | | | Planning & Development Services | | | | | | | | |
| | | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **65** | HE Campus **(NEW PROJECT – STAGE 2)** | Desirable Works - Planned Strategic Intent | Rotherham College are seeking to create a Campus in the town centre to cater for the increased numbers of HE students that they are attracting. Build costs would be covered by the College and a bid to the Skills Capital pot. The college have approached the Council for a £6M loan. In principle disposal of part of the Doncaster Gate site has been agreed, subject to agreement on terms.<br><br>The proposed HE campus will deliver the following :<br><br>Increased numbers of Rotherham residents with Level 4+ qualifications.<br><br>A workforce to meet the growth ambitions of Rotherham businesses.<br><br>Industry, rather than academic, led provision.<br><br>Increased footfall in the town centre, plus more town centre living, via student accommodation. | Estimated Spend | 0 | 0 | 0 | 0 | 0 | 0 | Costs of build are Rotherham College and potentially Skills Capital funding from the SCR.<br><br>The College have approached the Council for a £6m loan. |
| | | | | Identified Resources | 0 | 0 | 0 | 0 | 0 | 0 | |

| Improving Highways & Infrastructure | | | | | | |
|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | Waste, roads and community safety (K.Sims) | | | |
| **Service Area** | | | Transport | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Upgrading Street Lighting **(APPROVED – STAGE 1)** | Includes the LED lanterns and column replacement programme. Two schemes to improve the lighting infrastructure and reduce energy costs. | Expenditure | 1,559 | 897 | 2,456 | Prudential Borrowing £2.456m |
| | | Funding | 1,559 | 897 | 2,456 | |
| Improving Highways Infrastructure **(APPROVED – STAGE 1)** | In addition to grant funding for highway maintenance, the approval of £2m in 2016/17 in the capital programme for highway maintenance and improvements to non-principal roads, to be funded by prudential borrowing. This is part of a £5m funding allocation, that it is expected will permanently repair 50km of the unclassified road network. Works will be targeted to maximise the improvement to the durability and condition of the network. | Expenditure | 4,809 | 2,723 | 7,532 | Highways Grant - £5.532m<br>Prudential Borrowing - £2m |
| | | Funding | 4,809 | 2,723 | 7,532 | |

| Improving Highways & Infrastructure | | | | | | |
|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | Waste, roads and community safety (K.Sims) | | | |
| **Service Area** | | | Transport | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Bridge Condition Works **(APPROVED – STAGE 1)** | Ongoing programme of works to maintain the Borough's highway and foot bridges. To maintain traffic flow and safety in the Borough, by inspecting and addressing any structural issues identified. | Expenditure | 359 | 348 | 707 | Highways Grant |
| | | Funding | 359 | 348 | 707 | |
| Transportation Connectivity **(APPROVED – STAGE 1)** | The focus of spend in 2016/17 will be on measures to assist pedestrians and cyclists in using the highway network, typical interventions being the introduction of dropped kerbs and controlled crossings. | Expenditure | 430 | 430 | 860 | Highways Grant |
| | | Funding | 430 | 430 | 860 | |

| Improving Highways & Infrastructure | | | | | | |
|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | Waste, roads and community safety (K.Sims) | | | | |
| **Service Area** | | Transport | | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Network Management **(APPROVED – STAGE 1)** | The focus of spend in 2016/17 will be on measures to address congestion through amendments to junction control and minor road widening schemes. | Expenditure | 420 | 420 | 840 | Highways Grant |
| | | Funding | 420 | 420 | 840 | |
| Local Traffic Safety Schemes **(APPROVED – STAGE 1)** | The major project within this theme is an area wide traffic calming scheme in East Herringthorpe, following extensive public consultation.<br><br>The fund also addresses smaller scale interventions, which help reduce the numbers of killed or seriously injured on Rotherham roads. This includes expanding the introduction of 20mph zones outside certain schools. | Expenditure | 350 | 350 | 700 | Highways Grant |
| | | Funding | 350 | 350 | 700 | |

| Improving Highways & Infrastructure | | | | | | |
|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | Waste, roads and community safety (K.Sims) | | | |
| **Service Area** | | | Transport | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Smarter Transport Choices **(APPROVED – STAGE 1)** | These projects involve the South Yorkshire trial of a hydrogen powered vehicle and the provision of cycle shelters in schools and places of work. | Expenditure | 25 | 25 | 50 | Highways Grant |
| | | Funding | 25 | 25 | 50 | |

| Improving Highways & Infrastructure | | | | | | |
|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | Waste, roads and community safety (K.Sims) | | | |
| **Service Area** | | | Transport | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Sustainable Transport - STEP 2 **(APPROVED – STAGE 1)** | The STEP 2 programme aims to deliver exemplar sustainable transport. The funding will be used to deliver improved walking and cycling access into Rotherham Town Centre and highway improvements on the A630 Centenary Way around Rotherham Town Centre. | Expenditure | 1,142 | 714 | 1,856 | Highways Grant |
| | | Funding | 1,142 | 714 | 1,856 | |
| A57 Major Road Scheme **(APPROVED – STAGE 1)** | The project has provided a dual carriageway and new roundabout, together with associated shared use footways and cycleways, including a new pedestrian, cyclist and horse signalised crossing. Future spend is in respect of compensation for land acquisitions. | Expenditure | 16 | 16 | 32 | Highways Grant |
| | | Funding | 16 | 16 | 32 | |

| Improving Highways & Infrastructure | | | | | | |
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| **Advisory Cabinet Member** | | Waste, roads and community safety (K.Sims) | | | | |
| **Service Area** | | Transport | | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| A630 Parkway Widening (feasibility study) **(APPROVED – STAGE 1)** | The scheme consists of the widening of the existing 2 lane dual carriageway to 3 lanes between the Catcliffe Interchange and the M1 Junction 33. The scheme includes three over bridges (two rail and one road) that will need extensions and a footbridge requiring replacement. The scheme will incorporate some amendments to the existing signalised roundabout junction, to facilitate two lanes across the junction for traffic travelling on the A630 between Sheffield and Rotherham. | Expenditure | 780 | 780 | 1,560 | Prudential Borrowing<br><br>The overall cost of the project is estimated to be £45m with provisional funding allocated from the RGF of £42.26m with total development and post evaluation costs of £2.74m (£2.54m – Capital, £0.200m - Revenue) to be funded by the Council. |
| | | Funding | 780 | 780 | 1,560 | |
| Waverley Link Road (feasibility study) **(APPROVED – STAGE 1)** | The Waverley Link Road is a proposed new single carriageway road, which extends across the Waverley development site from the line of Highfield Lane to the north, to the junction of the B6200 Retford Road and the B6064 Furnace Lane to the south. The scheme is a long standing road improvement designed to improve access to local employment zones, relief congestion to residential areas and provide an alternative route to the M1 motorway via Junction 31. | Expenditure | 250 | 300 | 550 | Prudential Borrowing<br>The overall cost of the project is estimated to be £10.5M with provisional funding allocated from the RGF of £8.8M, supplemented by a developer contribution by Harworth Estates of £1.0M and total development and post evaluation costs of £700,000 (£600,000 – Capital, £100,000 – Revenue) to be funded by the Council. |
| | | Funding | 250 | 300 | 550 | |

| Improving Highways & Infrastructure | | | | | | |
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| **Advisory Cabinet Member** | | | Waste, roads and community safety (K.Sims) | | | |
| **Service Area** | | | Streetpride | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Drainage Works - Don Street **(APPROVED – STAGE 1)** | Flood defence and drainage works, to alleviate the potential risk of flooding to Rotherham Town Centre and Riverside House. | Expenditure | 1,600 | 0 | 1,600 | Prudential Borrowing £611k<br>Capital Receipts £989k |
| | | Funding | 1,600 | 0 | 1,600 | |

| Improving Highways & Infrastructure | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Waste, roads and community safety (K.Sims) | | | | | | | |
| **Service Area** | | | | Streetpride | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **107** | Parkway widening **(NEW PROJECT – STAGE 2)** | Desirable Works - Planned Strategic Intent | Widening of A630 Parkway from 2 lanes to 3 from Europa Way junction to the M1. The outcome will be improved traffic movements and flows in the Sheffield-Rotherham Corridor.<br><br>Approval has already been secured for the initial feasibility studies to be carried out on this scheme. The expenditure shown here is for the physical delivery of the major capital works.<br><br>In October 2015 the Sheffield City Region approved the Outline Business Case for the project and recommended that it proceeds to the Detailed Business Case stage.<br><br>Spend has been re-profiled to reflect the DfT approval timetable. | Estimated Spend | 0 | 0 | 0 | 12,320 | 21,120 | 33,440 | £42.26m funding from SCRIF/DfT. Estimated £8.82m spend in 2021/22.<br><br>£0.3m development costs required from RMBC capital in 15/16.<br><br>The full revenue implications from the scheme will not be felt until 2022/23. |
| | | | | Identified Resources | 0 | 0 | 0 | 12,320 | 21,120 | 33,440 | |

| Improving Highways & Infrastructure | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Waste, roads and community safety (K.Sims) | | | | | | | |
| **Service Area** | | | | Streetpride | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **108** | Waverley Link Road **(NEW PROJECT – STAGE 2)** | Desirable Works - Planned Strategic Intent | 1.9km link road connecting the Waverley new community at Highfield Lane with the B6064 Furnace Lane in Woodhouse Mill. The outcome will be improved traffic flows and better access to the AMP/Waverley.<br><br>Approval has already been secured for the initial feasibility studies to be carried out on this scheme. The expenditure shown here is for the physical delivery of the major capital works. | Estimated Spend | 0 | 0 | 6,500 | 3,300 | 0 | 9,800 | £8.8m funding from SCRIF/DfT, with £1m developer contribution. £0.1m development costs required from RMBC capital in 15/16. The full revenue implications from the scheme will not be felt until 2019/20. |
| | | | | Identified Resources | 0 | 0 | 6,500 | 3,300 | 0 | 9,800 | |

| Improving Highways & Infrastructure | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Waste, roads and community safety (K.Sims) | | | | | | | |
| **Service Area** | | | | Streetpride | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **96** | Highways Improvement Plan – Unclassified Road Network **(NEW PROJECT – STAGE 2)** | Essential Works - Health & Safety | To improve the condition of the highway network and in particular the unclassified carriageway network, with the investment of £10m over five years. This project will enable the condition of the unclassified highway network to achieve national average condition, in accordance with the Council's Corporate Priority. This would build on the already approved £5m investment for 2015/16-2016/17. The outcome would be that the unclassified roads in Rotherham are at or better than the national average condition. | Estimated Spend | 0 | 3,000 | 4,000 | 3,000 | 0 | 10,000 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **0** | **3,000** | **4,000** | **3,000** | **0** | **10,000** | |

| Improving Highways & Infrastructure | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Waste, roads and community safety (K.Sims) | | | | | | | |
| **Service Area** | | | | Streetpride | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **120** | Traffic Signal Renewal Programme - Key Highway Junctions **(NEW PROJECT – STAGE 2)** | Desirable Works - Service improvement | Programme of traffic signal refurbishment on Rotherham's classified road network over five years. These routes provide access to Rotherham's economic centre, local connectivity and connectivity to other regional centres and the strategic highway network. Rotherham's traffic signal installations have suffered deterioration due to lack of direct investment over many years. Ageing installations require more regular maintenance and are more likely to fail, causing traffic congestion and possible collisions. Such installations do not benefit from recent technology developments such as 'extra low voltage' supply and LED lights. The programme links to CP1 – Stimulating the local economy and helping people to work. | Estimated Spend | 200 | 200 | 200 | 200 | 200 | 1,000 | Prudential borrowing required. |
| | | | | Identified Resources | **200** | **200** | **200** | **200** | **200** | **1,000** | |

| Improving Highways & Infrastructure | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Waste, roads and community safety (K.Sims) | | | | | | | |
| **Service Area** | | | | Streetpride | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **111** | Herringthorpe Valley Flood Alleviation Scheme<br><br>**(NEW PROJECT – STAGE 2)** | Desirable Works - Planned Strategic Intent | This project has been identified on the EA Medium Term Plan for Flood Defence Schemes. The proposed scheme will create a flood storage area in parkland upstream of the flood risk area.<br><br>Furthermore, we would explore the possibility of introducing a wetlands feature within the Council owned land, in partnership with the Council's leisure and community services.<br><br>The outcome will be that 112 residential properties and 4,877m2 of non-residential property have a reduced risk of flooding. | Estimated Spend | 275 | 0 | 0 | 0 | 0 | 275 | Environment Agency 270k, 5k Prudential Borrowing |
| | | | | Identified Resources | 275 | 0 | 0 | 0 | 0 | 275 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | Housing (E.Wallis) | | | | |
| **Service Area** | | Housing & Neighbourhoods Investment | | | | |
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| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Refurbishment to Council Dwellings **(APPROVED – STAGE 1)** | This budget is to fund works for internal and external refurbishments to properties. Internal works include elements such as new kitchens and bathrooms and refurbishment of communal areas to flats, to ensure compliance with Fire Safety Regulations. External elements include re-roofing, external render, fascias, soffits and bargeboard replacements and outhouse improvements. | Expenditure | 13,264 | 14,446 | 27,710 | Major Repairs Allowance |
| | | Funding | 13,264 | 14,446 | 27,710 | |
| Replacement to Central Heating Systems **(APPROVED – STAGE 1)** | Replacement of central heating systems to Council dwellings. This is an ongoing programme of central heating replacements in order to reduce the revenue burden, as a result of increasing repairs to buderus and alpha boilers. | Expenditure | 3,261 | 3,261 | 6,522 | Major Repairs Allowance |
| | | Funding | 3,261 | 3,261 | 6,522 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | Housing (E.Wallis) | | | | |
| **Service Area** | | Housing & Neighbourhoods Investment | | | | |
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| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Managing Empty Properties Programme **(APPROVED – STAGE 1)** | Refurbishment work to bring void properties back to an agreed standard. Major voids occur when the cost of bringing a property up to the lettable standard exceeds £4,000. This often occurs where a previous tenant has refused decent homes works and so properties now require new kitchens, bathrooms or central heating systems. | Expenditure | 2,600 | 2,600 | 5,200 | Major Repairs Allowance |
| | | Funding | 2,600 | 2,600 | 5,200 | |
| Electrical Improvement Works **(APPROVED – STAGE 1)** | This is a demand led service and is to fund electrical improvement works to properties (e.g. consumer units, rewires etc.) following fixed wire electrical testing. | Expenditure | 150 | 150 | 300 | Revenue contribution to capital outlay (RCCO) |
| | | Funding | 150 | 150 | 300 | |

| Housing Investment | | | | | | |
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| **Advisory Cabinet Member** | | | Housing (E.Wallis) | | | |
| **Service Area** | | | Housing & Neighbourhoods Investment | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Improving District Heating Systems **(APPROVED – STAGE 1)** | The District Heating project consists of new meters, biomass storage units, re-pipes and radiators and conversions to provide heating to Council dwellings. The works cover sites throughout the Borough. | Expenditure | 1,000 | 1,000 | 2,000 | Revenue contribution to capital outlay (RCCO) (£2m) |
| | | Funding | 1,000 | 1,000 | 2,000 | |
| Replacement of Communal Doors **(APPROVED – STAGE 1)** | Replacement of high security communal doors to blocks of flats. This scheme will conclude in 2016/17, by which time all communal entrances to flats will have high security entrance doors fitted with key management systems. | Expenditure | 399 | 0 | 399 | Major Repairs Allowance |
| | | Funding | 399 | 0 | 399 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | | Housing (E.Wallis) | | | |
| **Service Area** | | | Housing & Neighbourhoods Investment | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Investing in Non-Traditional Properties **(APPROVED – STAGE 1)** | External refurbishment and insulated render works to non-traditional properties in East Dene, Rawmarsh and Swallownest. This is the final part of a programme to extend the life of non-traditional stock by circa 25 years. | Expenditure | 1,100 | 0 | 1,100 | Revenue contribution to capital outlay (RCCO) (£1.1m) |
| | | Funding | 1,100 | 0 | 1,100 | |
| Environmental Improvement Programme **(APPROVED – STAGE 1)** | This comprises a variety of work, which includes the provision of bin stores, secure drying areas, landscaping, paths and parking bays. In addition, works to alleviate anti-social behaviour, by visually opening up spaces, through the removal of trees and shrubs and aiding security by the installation of railings and gates. | Expenditure | 1,400 | 1,000 | 2,400 | Revenue contribution to capital outlay (RCCO) (£2.400m) |
| | | Funding | 1,400 | 1,000 | 2,400 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | | Housing (E.Wallis) | | | |
| **Service Area** | | | Housing & Neighbourhoods Investment | | | |
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| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Asbestos Management within Council Properties **(APPROVED – STAGE 1)** | To test/survey for asbestos and the removal of asbestos in Council dwellings, which are due to receive capital investment. | Expenditure | 370 | 370 | 740 | Revenue contribution to capital outlay (RCCO) |
| | | Funding | 370 | 370 | 740 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | Housing (E.Wallis) | | | | |
| **Service Area** | | Housing & Neighbourhoods Investment | | | | |
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| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| External Property Works **(APPROVED – STAGE 1)** | This is works to Council dwellings that consists of remedial works to building structures and includes pointing, rendering, underpinning and damp proof works. | Expenditure | 650 | 650 | 1,300 | Major Repairs Allowance |
| | | Funding | 650 | 650 | 1,300 | |
| External Insulation **(APPROVED – STAGE 1)** | Installation of cavity wall and loft insulation to properties, in order to improve their energy efficiency and reduce tenant's energy bills. | Expenditure | 50 | 50 | 100 | Major Repairs allowance (£120k) and Revenue contribution to capital outlay (RCCO) (£100k) |
| | | Funding | 50 | 50 | 100 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | | Housing (E.Wallis) | | | |
| **Service Area** | | | Housing & Neighbourhoods Investment | | | |
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| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Sheltered Housing - Investing in our Communal Areas **(APPROVED – STAGE 1)** | This is to provide improvements to laundry facilities and communal areas within the sheltered housing community centres. In addition, there is a programme of conversions from community centres to Council dwellings to increase housing stock. | Expenditure | 1,000 | 500 | 1,500 | Major Repairs allowance (£1.5m) |
| | | Funding | 1,000 | 500 | 1,500 | |
| Housing Growth - Strategic Acquisitions **(APPROVED – STAGE 1)** | A programme of building and purchasing new houses to increase stock numbers. 25 new homes have been constructed at Barbers Avenue, Rawmarsh. In addition, 10 properties have been purchased at Wadsworth Road, Bramley and 31 properties at Sawn Moor Ave, Thurcroft. | Expenditure | 5,060 | 7,150 | 12,210 | Revenue contribution to capital outlay (RCCO) (£12.210m). |
| | | Funding | 5,060 | 7,150 | 12,210 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | Housing (E.Wallis) | | | | |
| **Service Area** | | Housing & Neighbourhoods Investment | | | | |
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| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Disabled Persons Unit Bungalows **(APPROVED – STAGE 1)** | Provision of 2 sets of semi- detached disabled persons unit bungalows, fully fitted to meet the needs of the individual. Sites are at Kimberworth and Thurcroft. | Expenditure | 186 | 0 | 186 | Revenue contribution to capital outlay (RCCO) (£186k) Homes |
| | | Funding | 186 | 0 | 186 | |
| Integrated Housing Management System **(APPROVED – STAGE 1)** | The ongoing implementation of the new integrated Housing Investment Management System. | Expenditure | 153 | 0 | 153 | Revenue contribution to capital outlay (RCCO) |
| | | Funding | 153 | 0 | 153 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | | Housing (E.Wallis) | | | |
| **Service Area** | | | Housing & Neighbourhoods Investment | | | |
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| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Garage Sites Investment **(APPROVED – STAGE 1)** | Programme of refurbishment of garage stock with new doors, roofs, brickwork and tarmac to the Council's garage portfolio on Council estates. | Expenditure | 250 | 250 | 500 | Revenue contribution to capital outlay (RCCO) (£500k) |
| | | Funding | 250 | 250 | 500 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | Housing (E.Wallis) | | | | |
| **Service Area** | | Housing & Neighbourhoods Investment | | | | |
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| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Fair Access For All – Aids and Adaptations **(APPROVED – STAGE 1)** | Aids and adaptations to Council dwellings and private sector properties to enable people to live independently for longer. | Expenditure | 4,200 | 4,600 | 8,800 | Revenue contribution to capital outlay (RCCO) (£2.803m) Disabled Facilities Grant(£3.228m) capital receipts (RTB) (£2.769m) |
| | | Funding | 4,200 | 4,600 | 8,800 | |
| Canklow Area – Ongoing Redevelopment **(APPROVED – STAGE 1)** | Regeneration of Canklow (Warden Street/Canklow Road area). The project is focused on the demolition, buy back and refurbishment of public and private sector properties in the area. | Expenditure | 100 | 0 | 100 | Capital receipts |
| | | Funding | 100 | 0 | 100 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | | Housing (E.Wallis) | | | |
| **Service Area** | | | Housing & Neighbourhoods Investment | | | |
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| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Monksbridge Demolition, Dinnington **(APPROVED – STAGE 1)** | Property swap to enable the demolition of 3 properties, with the construction of a gable wall. To enable wider redevelopment of the site. | Expenditure | 67 | 0 | 67 | Regional Housing Investment Board Grant (Historic) |
| | | Funding | 67 | 0 | 67 | |

| Housing & Neighbourhoods Investment | | | | | | |
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| **Advisory Cabinet Member** | | | Housing (E.Wallis) | | | |
| **Service Area** | | | Housing & Neighbourhoods Investment | | | |
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| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Furnished Homes Solution – Replacement Furniture **(APPROVED – STAGE 1)** | Furnished Homes service. As part of the revenue budget setting process for 2015/16, a revenue saving has been identified to capitalise spend on new furniture and white goods. | Expenditure | 960 | 720 | 1,680 | Prudential Borrowing |
| | | Funding | 960 | 720 | 1,680 | |

| Housing & Neighbourhoods Investment | | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Housing (E.Wallis) | | | | | | | | |
| **Service Area** | | | | Housing | | | | | | | | |
| | | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **52** | Council Housing Investment Programme **(NEW PROJECT – STAGE 2)** | Desirable Works - Service improvement | Annual Housing Investment programme to maintain decency, carry out stock improvements, aids and adaptations and new stock provision, energy efficiency and environmental works to our 21,000 Council homes.<br><br>An annual programme of c£30m is built into the Capital Programme for 2015-18. 21,000 Council homes currently meet Rotherham decent homes plus standard and we continue to improve access and reduce CO2 emissions.<br><br>Current budget proposals include :<br><br>£35m Council House Refurbishments<br>£9m Communal Blocks<br>£7.8m Voids<br>£7.5m Aids and Adaptations<br>£2.4m Environmental Works | Estimated Spend | 0 | 0 | 25,900 | 25,900 | 25,900 | 77,700 | HRA Resources, core requirements are fully funded with the aspirational growth to be reconsidered in light of the Chancellors budget. |
| | | | | Identified Resources | 0 | 0 | 25,900 | 25,900 | 25,900 | 77,700 | |

| Housing & Neighbourhoods Investment | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Neighbourhood Working and Cultural Services (T.Yasseen) | | | | | | | |
| **Service Area** | | | | Planning & Development Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **131** | Area Assembly – Neighbourhood Investment **(NEW PROJECT – STAGE 2)** | Desirable Works – Planned Strategic Intent | This budget line will provide a small capital pot for public realm / parking schemes for each Area Assembly. The premise being that each Area Assembly will be able to identify what the key issues are within their neighbourhood area and prioritise how their budget is allocated to these issues. This project will increase collaboration between the community and the Council. | Estimated Spend | 140 | 0 | 0 | 0 | 0 | 140 | Prudential borrowing |
| | | | | Identified Resources | **140** | **0** | **0** | **0** | **0** | **140** | |

| Key Invest to Save | | | | | | |
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| **Advisory Cabinet Member** | | | Deputy Leader (Cllr G Watson) | | | |
| **Service Area** | | | CYPS – Other | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Property Adaptations – Increasing Foster Care Placements **(APPROVED – STAGE 1)** | Works to private properties to increase the Borough capacity for foster care placements. The project generates revenue savings as a result of a reduction in out of authority placements. | Expenditure | 1,050 | 550 | 1,600 | Prudential Borrowing – Funded by the Service |
| | | Funding | 1,050 | 550 | 1,600 | |

| Key Invest to Save | | | | | | |
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| **Advisory Cabinet Member** | | | Adult Social Care & Health (Cllr D Roche) | | | |
| **Service Area** | | | Social Services | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Independent Living - Assistive Technology **(APPROVED – STAGE 1)** | Equipment to assist in independent living, to enable people to stay in their own homes for longer. The equipment includes fall detectors and monitoring alarms. | Expenditure | 450 | 0 | 450 | Personal Social Services Grant |
| | | Funding | 450 | 0 | 450 | |
| Independent Living - Rotherham Equipment and Wheelchair Services **(APPROVED – STAGE 1)** | RMBC contribution to the purchase of equipment, after occupational therapist assessment, to support people within their own homes.<br><br>The equipment includes a range of specialist bath and shower aids and mattresses and will be managed by the Rotherham Foundation Hospital Trust. | Expenditure | 190 | 0 | 190 | Personal Social Services Grant |
| | | Funding | 190 | 0 | 190 | |

| Key Invest To Save Schemes | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **94** | Hellaby Depot Refurbishment Works **(NEW PROJECT – STAGE 2)** | Essential Works - Health & Safety | The proposal is to renew the roof covering to the main operational Streetpride depot. Under the terms of the lease, we have a legal responsibility to carry out the repairs, to ensure it provides a safe, warm and watertight environment for the staff and customers that visit the premises, under the Health & Safety at Work acts. At present we are carrying out basic repairs to the building, however, because of the condition of the roof, there are several leaks which are now un-economical to continue to repair. The leaks are causing further damage to the fabric of the building. | Estimated Spend | 250 | 0 | 0 | 0 | 0 | 250 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **250** | **0** | **0** | **0** | **0** | **250** | |

| Key Invest To Save Schemes | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **44** | Maltby Library Relocation **(NEW PROJECT – STAGE 2)** | Desirable Works - Service improvement | Relocation of Maltby Library from a separate building into the Maltby Joint Service Centre. Maltby Library is located 200 metres from Maltby JSC, which is a PFI building that houses a Sports & Leisure centre, Customer Service Centre, NHS-GPs, Pharmacy and a localities office for RMBC and the NHS teams.<br><br>It is proposed to reconfigure the Customer Service Centre on the ground floor to include a library. The existing library site could then be combined with the adjacent Fire Station, due to close in 2016, and some unused green space land, to create a mixed use retail and residential site.<br><br>Note: A consultation process will be carried out before any decision and actions are taken. | Estimated Spend | 275 | 0 | 0 | 0 | 0 | 275 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **275** | **0** | **0** | **0** | **0** | **275** | |

| Key Invest To Save Schemes | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Adult Social Care & Health (Cllr D Roche) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **124** | Adults Community Hubs and Transitional Support Accommodation – Support for Customers with Complex Needs<br><br>**(NEW PROJECT – STAGE 2)**<br><br>Intermediate Care Centre | Desirable Works - Service improvement | Rotherham's vision for Adult Social Care (ASC) into the future, is that customers will be equipped and supported to live independently. In addition, we will build community resilience through the use of community hubs. As the ASC programme develops, there will be a need to have an integrated approach for linking the various delivery models.<br><br>This aspiration will need to be jointly commissioned, to ensure that it is meeting specified outcomes, future demand and demographic challenges.<br><br>An integrated Intermediate Care Centre needs to be developed integrating residential beds and community based rehabilitation services.<br><br>Early consideration will be given to developing the Badsley Moor Lane site. | Estimated Spend | 0 | 0 | 0 | 0 | 0 | 0 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | 0 | 0 | 0 | 0 | 0 | 0 | |

| Key Invest To Save Schemes | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Housing (E.Wallis) | | | | | | | |
| **Service Area** | | | | Housing | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **54** | Extra Care Housing Scheme **(NEW PROJECT – STAGE 2)** | Desirable Works - Planned Strategic Intent | To deliver a 70 bed Extra Care Housing Scheme (for older people) and provide new complementary residential housing.<br><br>This project meets cross cutting objectives between Housing, Adults and Health services. Budget savings will be realised through property and service rationalisation. The proposed Extra Care development will enable older people to live independently for as long as possible. This will reduce the pressure on existing budgets, as care packages can be added flexibly as and when required, based on need. | Estimated Spend | 600 | 2,360 | 7,600 | 0 | 0 | 10,560 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **600** | **2,360** | **7,600** | **0** | **0** | **10,560** | |

| Key Invest To Save Schemes | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **67** | Commercial Property Estate – Capital Investment **(NEW PROJECT – STAGE 2)** | Desirable Works – Planned Strategic Intent | This is a project to carry out essential repair and maintenance works to the properties within the Commercial Investment Portfolio, as an income generating asset to the Council. There is a potential risk to the public and commercial tenants from properties in poor condition, where the landlord (RMBC) is obligated to keep them in repair.<br><br>At this stage the budget cost is an estimate and detailed surveys are required of the estate, to establish a schedule of works over a five year renewal programme.<br><br>Separately, a Commercial Property Investment Strategy is being developed to enhance the market resilience and quality of the existing portfolio and exploit opportunities to add to it. This will be through the use of existing assets and strategic acquisitions, to support both economic growth and provide a revenue stream to the Council. This links with the Property Fund, ref 59. | Estimated Spend | 150 | 125 | 100 | 75 | 75 | 525 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | 150 | 125 | 100 | 75 | 75 | 525 | |

| Critical Building Condition Works | | | | | | |
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| **Advisory Cabinet Member** | | | Deputy Leader (Cllr G Watson) | | | |
| **Service Area** | | | CYPS - Secondary | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| **Badsley Moor Primary Classroom / High Greave J & I Children's Centre (APPROVED – STAGE 1)** | Badsley Moor Primary - This project involves two elements. Firstly, the provision of an additional classroom to meet an increase in pupil numbers at the school. This will allow the school to admit 90 pupils per year group. In addition, the scheme involves the replacement of external cladding and windows in the junior school building, to improve the teaching environment. Rooms are currently either very hot or cold, depending upon the environmental conditions<br><br>A project to relocate a modular classroom from Dalton Flanderwell to High Greave, to enable the movement of the children's centre from the school to its own building. The children's centre is currently located in the centre of the school and cannot be segregated, which poses safeguarding issues for the school and limits what services can be offered. | Expenditure | 235 | 0 | 235 | DfE Basic Need and School Condition Grant |
| | | Funding | 235 | 0 | 235 | |

| Critical Building Condition Works | | | | | | |
|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | Deputy Leader (Cllr G Watson) | | | |
| **Service Area** | | | CYPS – All Schools | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Capitalised Minor Enhancements – Schools **(APPROVED – STAGE 1)** | Grant funded programme for minor works at schools dealing with condition and suitability issues, including extensions and refurbishment works. | Expenditure | 1,800 | 0 | 1,800 | DfE School Condition Grant |
| | | Funding | 1,800 | 0 | 1,800 | |
| Devolved Formula Capital Grant – Schools **(APPROVED – STAGE 1)** | Grant paid annually to schools for them to spend on small capital projects. Funding has to be spent within 3 years of receipt. | Expenditure | 537 | 0 | 537 | DfE Devolved Formula Capital Grant – Devolved to schools |
| | | Funding | 537 | 0 | 537 | |

| Critical Building Condition Works | | | | | | |
|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | Deputy Leader (Cllr G Watson) | | | |
| **Service Area** | | | CYPS – Other | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Entitlement for Early Years' Schools Provision **(APPROVED – STAGE 1)** | Grants in respect of 2 year old provision, to increase the number of pupil places. Funding is being used to make changes to retained children's' centres and to provide grants to existing and new providers, to increase provision across the Borough. | Expenditure | 204 | 0 | 204 | DfE Early Years Grant |
| | | Funding | 204 | 0 | 204 | |

| Critical Building Condition Works | | | | | | |
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| **Advisory Cabinet Member** | | | Neighbourhood working and Cultural Services (T.Yasseen) | | | |
| **Service Area** | | | Culture & Related Services | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Brinsworth Library **(APPROVED – STAGE 1)** | Library and Customer Services have been working with Brinsworth Parish Council and colleagues in the Corporate Property Unit for some time to develop options to sustain and improve the library service within the area. Following consultation within the local community, the Parish Council is leading on and has submitted bids for external funding to support the development. | Expenditure | 499 | 0 | 499 | Prudential Borrowing |
| | | Funding | 499 | 0 | 499 | |
| Strategic Review of Libraries **(APPROVED – STAGE 1)** | Work has been carried out in a number of locations, including Dinnington and Swinton, following the co-location of libraries and customer service centres. Active prioritised projects cover sites across the Borough and are dependent upon public stakeholder consultation. | Expenditure | 39 | 0 | 39 | Prudential Borrowing |
| | | Funding | 39 | 0 | 39 | |

| Critical Building Condition Works | | | | | | |
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| **Advisory Cabinet Member** | | | Neighbourhood working and Cultural Services (T.Yasseen) | | | |
| **Service Area** | | | Culture & Related Services | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Firsby Reservoir Phase 2 **(APPROVED – STAGE 1)** | Works to discontinue Firsby Reservoir have started addressing the siltation problems at the head of the reservoir, and will then move on to address access problems. | Expenditure | 13 | 0 | 13 | Prudential Borrowing |
| | | Funding | 13 | 0 | 13 | |

| Critical Building Condition Works | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **29** | CYPS Associated Property Works **(NEW PROJECT – STAGE 2)**<br><br>Including CYPS Social Care Improvement Plan works<br><br>CYPS Universal and Targeted Services (Early Help) Improvement Plan works<br><br>Children's Care Homes – Condition Works Psalters Centre refurbishment | Desirable Works - Planned Strategic Intent | Building works that have been identified by the various operational and locality reviews that are currently taking place. The works are expected to include some suitability and condition works to existing Council buildings. The reviews taking place include :<br><br>Social Care - A change from a 2 area to a 3 area localities model and increasing staffing levels in these teams.<br><br>Early Help – A change to a 3 area localities model and increasing staffing levels in 9 new teams, that need to be based in the localities in areas of need. Co-location with Social Care is possible. | Estimated Spend | 900 | 0 | 0 | 0 | 0 | 900 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **900** | **0** | **0** | **0** | **0** | **900** | |

| Critical Building Condition Works | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Neighbourhood working and Cultural Services (T.Yasseen) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **38** | Rother Valley Country Park – Replace Heating and Hot Water Systems **(NEW PROJECT – STAGE 2)** | Essential Works - Health & Safety | The buildings are heated by a mixture of portable electric freestanding heaters and a solid fuel boiler. The current hot water boilers are not efficient or working to proper capacity, so there is a strong risk of failure. With this being a country park and outdoor water facility, basic welfare facilities are required. There is a potential legionella risk if hot water systems do not maintain temperatures. | Estimated Spend | 250 | 0 | 0 | 0 | 0 | 250 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **250** | **0** | **0** | **0** | **0** | **250** | |
| **43** | Walker Mausoleum, Masbrough – Remedial Works **(NEW PROJECT – STAGE 2)** | Desirable Works - Retention of current service | Improvements to grounds and security. The area that surrounds the Walker Mausoleum is in a poor state, despite some ground maintenance works and litter clearance having taken place over the last few months. The Council have had a number of public complaints and the friends of the Walker Mausoleum have raised concerns about the condition of the grounds and adjacent walls. Skeletons have been known to fall out of the ground from behind un-maintained boundary walls. | Estimated Spend | 20 | 0 | 0 | 0 | 0 | 20 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **20** | **0** | **0** | **0** | **0** | **20** | |

| Critical Building Condition Works | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Waste, roads and community safety (K.Sims) | | | | | | | |
| **Service Area** | | | | Streetpride | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **117** | Treeton St. Helens Church Yard **(NEW PROJECT – STAGE 2)** | Essential Works - Legal & Statutory Requirements | Inspections have found the retaining (and other boundary) walls are at risk of collapse. The graveyard annex is dangerous for visitors and staff who maintain it, due to many of the graves sinking and the memorials collapsing. The project will rebuild all the retaining walls to the relevant standards and stabilise the retained land and the individual graves. This will either require the exhumation of a large number of graves or the purchase of a strip of land in the gardens of private properties below the grave site. | Estimated Spend | 30 | 420 | 0 | 0 | 0 | 450 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **30** | **420** | **0** | **0** | **0** | **450** | |

| Critical Building Condition Works | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **66** | Operational Buildings Capital Investment **(NEW PROJECT – STAGE 2)** | Essential Works - Health & Safety | The aim of this project is to allow RMBC to catch up on backlog maintenance on its operational estate. To ensure the Council has an effective, good condition estate that is suitable for the services provided by the Council. The programme of works will help reduce revenue maintenance costs, however, it will require significant support from Services to establish a prioritisation of work and a clear asset management plan.<br><br>Lack of investment in the estate will create health and safety issues and potential reputational risk and potential service delivery failure.<br><br>**It is important to note that the expenditure profile shown is based on a do-minimum option, covering the costs of maintenance to ensure the buildings remain functional.** | Estimated Spend | 324 | 858 | 587 | 976 | 549 | 3,294 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **324** | **858** | **587** | **976** | **549** | **3,294** | |

| Critical Building Condition Works | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **68 / 78 and 86** | Centenary Markets – Emergency Lighting System / High Level Maintenance / Drainage and Guttering **(NEW PROJECT – STAGE 2)** | Essential Works - Health & Safety | Replace emergency lighting system. The lights are failing and the issue has been identified under the Fire Risk Assessment. The works will ensure that we meet basic health and safety standards and comply with the regulatory reform order (Fire Safety) 2005.<br><br>High Level cleaning and maintenance / decoration. The high level areas require specialist equipment and suppliers to carry out this task. The area is covered with dirty pigeon droppings etc. and requires maintenance. There is a risk to the public..<br><br>The drainage and gutters to the building are leaking in a number of places and require a full overhaul. As a result of the leaks, further damage to other areas and the fabric of the market are becoming an increasing problem. This results in increased repair expenditure and potential effects on the market traders, customers and Council's reputation. | Estimated Spend | 210 | 0 | 0 | 0 | 0 | 210 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **210** | **0** | **0** | **0** | **0** | **210** | |

| Critical Building Condition Works | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **79** | Bailey House Refurbishment **(NEW PROJECT – STAGE 2)** | Desirable Works - Retention of current service | To remove asbestos from Bailey House. This follows a detailed survey which identified asbestos which is located within the building. Ideally all asbestos would be removed or encapsulated within the building. - £45k<br><br>To replace the floor coverings which are old, dated and dangerous. They are becoming a trip hazard and have worn out. Currently the situation is being managed on a day to day basis so there will be maintenance savings from the replacement works. The building must be a safe and well maintained environment for staff. - £50k | Estimated Spend | 95 | 0 | 0 | 0 | 0 | 95 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **95** | **0** | **0** | **0** | **0** | **95** | |

| Critical Building Condition Works | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **80** | Bailey House **(NEW PROJECT – STAGE 2)** | Desirable Works - Retention of current service | To assess and remove any potential Legionella elements from Bailey House to comply with Health & Safety at Work Acts. If these works are not carried out there is a potential health and safety risk. There is a potential reputational risk to the Council if further works are not carried out and an incident occurs. - £50k<br><br>To ensure that there is a fire suppression system installed within the secondary data centre at Bailey House and that the back-up generator and switch gear is renewed. £150k | Estimated Spend | 200 | 0 | 0 | 0 | 0 | 200 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **200** | **0** | **0** | **0** | **0** | **200** | |

| Critical Building Condition Works | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **81** | Swinton Civic Hall Refurbishment **(NEW PROJECT – STAGE 2)** | Desirable Works - Retention of current service | Renew dance floor and decoration. This is a public hall and income is received from lettings to the public. The floor is becoming uneven and represents a trip hazard. Failure to do this could expose the Council to litigation from tripping incidents and also affect the opportunity to raise revenue letting income, if customers choose not to utilise the building. | Estimated Spend | 40 | 0 | 0 | 0 | 0 | 40 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **40** | **0** | **0** | **0** | **0** | **40** | |

| Critical ICT Infrastructure Works | | | | | | |
|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | Corporate Services and Budgeting (S.Alam) | | | |
| **Service Area** | | | Property & Corporate Services | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| ICT / Digital Strategy **(APPROVED – STAGE 1)** | Funding allocation in respect of key projects within the Council's ICT and Digital Strategy. A 2015/16 ICT Delivery Plan has been approved. This encompasses expenditure on core networking equipment, server replacements and web filtering device upgrades. The 2016-2019 Digital Council Strategy is currently being developed. | Expenditure | 813 | 706 | 1,519 | Prudential Borrowing |
| | | Funding | 813 | 706 | 1,519 | |

| Critical ICT Infrastructure Works | | | | | | |
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| **Advisory Cabinet Member** | | | Corporate Services and Budgeting (S.Alam) | | | |
| **Service Area** | | | Property & Corporate Services | | | |
| | | | | | | |
| **Scheme** | **Brief Description** including proposed outcomes and outputs | Approved Budget | **16/17** | **17/18** | **Total** | **Funding Comments** |
| Improvement to ICT use within Social Care **(APPROVED – STAGE 1)** | Set up, purchase and implementation of Liquid Logic solution for CYPS and Adult Services.<br><br>This meets a key recommendation in the Jay report to *"Address the severe deficits in the ICS system as a matter of urgency and procure a replacement system".* | Expenditure | 379 | 16 | 395 | Prudential Borrowing |
| | | Funding | 379 | 16 | 395 | |

| Critical ICT Infrastructure Works | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Corporate Services and Budgeting (S.Alam) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **1** | Computer Refresh –<br><br>Laptop, desktop and tablet replacement **(NEW PROJECT – STAGE 2)**<br><br>**£470k – (APPROVED -STAGE 1)** | Essential Works - Legal & Statutory Requirements | Over 50% of the current laptop device estate is over 6 years old. These devices are out of warranty and are breaking down more, leading to an increase in IT support costs. They are not capable of running the latest business systems, which is causing performance and efficiency problems for staff. The IT asset policy requires that devices are replaced every 4 years.<br><br>The proposal is to continue the existing do minimum replacement rolling programme.<br><br>There is an existing annual capital approval of £470,000 with funding for 2016/17 already included within the Capital Programme. | Estimated Spend | 910 | 475 | 275 | 760 | 910 | 3,330 | £2.86m Planned Use of Capital Receipts<br><br>£470k Prudential Borrowing |

| Critical ICT Infrastructure Works | | | | | | | | | | | |
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| **Advisory Cabinet Member** | | | | Corporate Services and Budgeting (S.Alam) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **2** | Networking Equipment Refresh –<br><br>Replacement of core networking equipment - switches, routers, firewalls, wireless access points. **(NEW PROJECT – STAGE 2)** | Essential Works - Legal & Statutory Requirements | The IT networking equipment is coming to the end of its useful life. Maintenance and security patches will not be released by the manufacturer for this equipment. We have a statutory responsibility to provide a secure network for our data. Failure to do this work will expose us to security and performance risks and will preclude us from gaining an accreditation to the Public Services Network (PSN). Services using the PSN, such as Revs & Bens and registrars, will be disconnected. RMBC's reputation for security will be damaged and networking failures will increase.<br><br>Funding of £170,000 approved as part of ICT Delivery Plan 2015/16. | Estimated Spend | 619 | 55 | 227 | 832 | 630 | 2,363 | Planned Use of Capital Receipts |
| | | | | Identified Resources | **619** | **55** | **227** | **832** | **630** | **2,363** | |

| Critical ICT Infrastructure Works | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Corporate Services and Budgeting (S.Alam) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **3** | Replacement of Server Equipment **(NEW PROJECT – STAGE 2)** | Essential Works - Legal & Statutory Requirements | Replacement of end-of life and non-compliant IT server equipment. Servers will need to be replaced, and where possible movements away from physical infrastructure implemented, with associated system changes to comply with PSN obligations. Failure to do this work will expose us to security and performance risks and will preclude us from gaining an accreditation to the PSN. Services using the PSN, such as Revs & Bens and registrars, will be disconnected. RMBC's reputation for security will be damaged and networking failures will increase.<br>Funding of £89,500 approved as part of ICT Delivery Plan 2015/16. | Estimated Spend | 145 | 153 | 60 | 267 | 235 | 860 | Planned Use of Capital Receipts |
| | | | | Identified Resources | **145** | **153** | **60** | **267** | **235** | **860** | |
| **4** | Storage Area Network-Replacement **(NEW PROJECT – STAGE 2)** | Essential Works - Legal & Statutory Requirements | The SAN is an IT system where most of RMBC's data is securely held. This includes system and application data. The hardware is reaching the point where it becomes obsolete and the underlying operating system software will no longer be supported, thus exposing us to security and compliance failures. In addition, the SAN is projected to be at capacity by 2017, and there is no cost effective upgrade path with the existing hardware. We have a statutory responsibility to provide a secure environment for our data. Failure to do this work will preclude us from gaining an accreditation to the PSN. | Estimated Spend | 0 | 300 | 0 | 0 | 0 | 300 | Planned Use of Capital Receipts |
| | | | | Identified Resources | **0** | **300** | **0** | **0** | **0** | **300** | |

| **Critical ICT Infrastructure Works** | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Corporate Services and Budgeting (S. Alam) | | | | | | | |
| **Service Area** | | | | Property & Corporate Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **5** | Telephony – System Replacement **(NEW PROJECT – STAGE 2)** | Essential Works - Legal & Statutory Requirements | The existing Internet Protocol (IP) telephony system is at end of life and the underlying platform will be out of support, which will put at risk all the Council's main telephony services and compromise RMBC's security and PSN compliance. The current system is also lacking key features that need to be introduced to support the operations of RMBC.<br><br>The new telephony platform will enable several additional business features, including web chat and video conferencing. The proposed solution includes a new unified communications and contact centre. | Estimated Spend | 1,242 | 0 | 0 | 0 | 0 | 1,242 | Planned Use of Capital Receipts |
| | | | | Identified Resources | **1,242** | **0** | **0** | **0** | **0** | **1,242** | |

| Housing Growth Projects | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Planning & Development Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **125** | Bassingthorpe Farm Development **(NEW PROJECT – STAGE 2)** | Desirable Works – Planned Strategic Intent | Bringing land forward for disposal (known as Bassingthorpe Farm) with Joint Venture partner Fitzwilliam Wentworth Estates and a developer partner to generate 2,400 homes plus associated infrastructure and local services. This scheme is a strategic allocation in the forthcoming Local Plan.<br><br>Resource required to service critical milestones in the pre disposal/development process including but not limited to;<br>External consultancy fees for:-<br>- Equalisation agreement between landowners<br>- Marketing<br>- Planning<br>- Legal<br>- Masterplanning<br>- Site surveys and risk mitigation | Estimated Spend | 160 | 75 | 50 | 50 | 50 | 385 | Prudential borrowing |
| | | | | Identified Resources | **160** | **75** | **50** | **50** | **50** | **385** | |

| Development Fund | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Planning & Development Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **59** | Development Fund **(NEW PROJECT – STAGE 2)** | Desirable Works - Service improvement | Economic Development / Growth Fund - To provide a fund to pump prime capital developments, which can be shown to deliver jobs and business rates to the Borough. Awards would be loans, or purchases with quick sell on or a guaranteed income stream; so Fund will be revolving. Barnsley have set up similar with a starting pot of £1.9m.<br><br>Outputs/Outcomes:<br>-Provision of more sites and buildings for economic growth.<br>-Increased business rates<br>-Increased employment for local residents | Estimated Spend | 5,000 | 0 | 0 | 0 | 0 | 5,000 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | **5,000** | **0** | **0** | **0** | **0** | **5,000** | |

# SUMMARY OF THE TOTAL CAPITAL PROGRAMME 2016-21 – INCLUDING FUNDING

| Capital Investment Themes | Stage 1 (Approved) | Stage 2 (Agreed in Principle) | Total Capital Programme | Grant & Contributions | Major Repairs Allowance | Prudential Borrowing | Revenue Contribution to Capital Outlay | Usable Capital Receipts |
|---|---|---|---|---|---|---|---|---|
| Town Centre Development | - | £17,000 | £17,000 | - | - | £7,000 | - | £10,000 |
| Improving Highways & Infrastructure | £17,754 | £55,504 | £73,258 | £55,465 | - | £17,793 | - | - |
| Housing & Neighbourhoods Investment | £72,967 | £77,840 | £150,807 | £2,103 | £120,135 | £1,820 | £24,449 | £2,300 |
| Key Invest To Save | £2,240 | £11,360 | £13,600 | £640 | - | £12,960 | - | - |
| Buildings Critical Condition | £3,327 | £5,709 | £9,036 | £2,776 | - | £6,260 | - | - |
| ICT Critical Condition | £2,384 | £7,625 | £10,009 | - | - | £2,384 | - | £7,625 |
| Housing Growth Projects | - | £385 | £385 | - | - | £385 | - | - |
| Development Fund | - | £5,000 | £5,000 | - | - | £5,000 | - | - |
| Grand Total | £98,672 | £180,423 | £279,095 | £60,984 | £120,135 | £53,602 | £24,449 | £19,925 |

# DEVELOPMENT POOL SCHEMES:

Development pool schemes have been recognised as being something the Council wishes to consider for future capital investment but at this point they are not ready to be brought forward for approval. The reason they are not ready for approval will be due to funding availability or strategic approval (i.e. inclusion within the Council's Growth Plan, Town Centre Masterplan or Asset Management Strategies). A vital part of this stage are the projects which have been put forward for funding approval from the Sheffield City Region.

At this point in the development process a number of these schemes do not have expenditure and resource details.

| PROGRAMME AREA | TOTAL EXPENDITURE £000 |
|---|---|
| CRITICAL BUILDING CONDITION WORKS | £0 |
| HIGHWAYS | £4,000 |
| ECONOMIC GROWTH PROJECTS | £20,200 |
| HOUSING GROWTH PROJECTS | £0 |
| TOTAL CAPITAL PROGRAMME | £24,200 |

## Critical Building Condition Works

| | |
|---|---|
| **Advisory Cabinet Member** | Jobs and the local economy (D.Lelliott) |
| **Service Area** | Property & Corporate Services |

| Ref | Scheme | Criteria | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | 16/17 | 17/18 | 18/19 | 19/20 | 20/21 | Total | Resources Comments |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **74** | Wath Montgomery Sq. | Desirable Works - Retention of current service | A 1960's building in very poor condition. The building includes a Library, commercial estate shops and Housing Services. CPU are working with Housing to produce a business case, covering the options of refurbishment and redevelopment. The result of the project will be an improved building condition, meeting outcomes in Cultural Services, Housing & Growth. Subject to final business case. This will help the authority to meet basic health and safety standards.<br><br>Please note: A scheme has been approved to deal with the removal of asbestos within the commercial estate shops as a matter of urgency. However the future of the building as a whole needs to be considered due to its key role with the economic growth and sustainability within Wath. | Estimated Spend | 0 | 0 | 0 | 0 | 0 | 0 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | 0 | 0 | 0 | 0 | 0 | 0 | |
| | | | | **Shortfall** | **0** | **0** | **0** | **0** | **0** | **0** | |

## Highways Schemes

| | |
|---|---|
| **Advisory Cabinet Member** | Waste, roads and community safety (K.Sims) |
| **Service Area** | Streetpride |

| Ref | Scheme | Criteria | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | 16/17 | 17/18 | 18/19 | 19/20 | 20/21 | Total | Resources Comments |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **97** | Crinoline Bridge | Desirable Works - Retention of current service | The scheme comprises the refurbishment of Crinoline Bridge which carries the A630 Centenary Way, a section of Rotherham's inner bypass, over the River Don. Over the past 20 years severe leakage of the bridge joints has allowed chloride salts to penetrate and attack the concrete bearing shelves, abutments and pier. A full refurbishment of Crinoline Bridge, will address the current condition of the structure and ensure that this major route is not subject to disruption due to restrictions or closure. | Estimated Spend | 0 | 0 | 700 | 3,300 | 0 | 4,000 | DfT special grants will be sought if opportunities arise. No opportunity is expected before 2018/19, and works will require PB if scheme is to be completed before then. |
| | | | | Identified Resources | 0 | 0 | 0 | 0 | 0 | 0 | |
| | | | | **Shortfall** | **0** | **0** | **700** | **3,300** | **0** | **4,000** | |

## Housing Growth Projects

| | |
|---|---|
| **Advisory Cabinet Member** | Housing (E. Wallis) |
| **Service Area** | Housing |

| Ref | Scheme | Criteria | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | 16/17 | 17/18 | 18/19 | 19/20 | 20/21 | Total | Resources Comments |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **58** | Residential development in Town centre | Desirable Works - Service improvement | Rotherham Town Centre has the potential to develop an additional 2,000 new homes. In recent years the town has seen 250 new homes developed, despite a weak housing market. These new homes have been financially supported and enabled by the Council, as part of a programme to regenerate and repopulate the town centre. In more recent times funding support has not been available and therefore residential development has stalled.<br>This proposal is about supporting both private and public sector residential development, to take place where the market is unable to deliver, by dealing with site abnormals and constraints. Support could also be in the form of utilising Council owned strategic sites in the town centre as assets, to support development and assembling sites through strategic acquisitions with capital investment.<br>A request has been made via the HCA for site infrastructure funding to help with flood alleviation and other site abnormal development costs. | Estimated Spend | 0 | 0 | 0 | 0 | 0 | 0 | Planned Use of Prudential Borrowing |
| | | | | Identified Resources | 0 | 0 | 0 | 0 | 0 | 0 | |
| | | | | **Shortfall** | **0** | **0** | **0** | **0** | **0** | **0** | |

| Economic Growth Projects | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | | |
| **Service Area** | | | | Planning & Development Services | | | | | | | | |
| | | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **92** | New Rotherham Mainline Railway Station | Desirable Works - Service improvement | Provision of a new railway station to enable mainline passenger services to serve the Rotherham Central Urban Area. Funding will enable the construction of a new railway station; The only realistic location for an additional mainline station is Parkgate, adjacent to the large development site next to Parkgate Shopping. In conjunction with the Tram-Train link to the Town Centre the new station could provide a park and ride site that would serve much of Rotherham's urban area. Economic agglomeration benefits resulting in an annual GDP uplift of £26m. Direct access to 6 of the UK's top 10 Cities. This is in line with the aims of the Growth Plan and would increase the number of new businesses starting up in the borough, grow existing businesses and attract new businesses to locate and invest in the borough. | Estimated Spend | 50 | 50 | 7,500 | 7,500 | 0 | 15,100 | Developer contributions will be considered as will the potential for DfT / SCR funding contributions. At this time as these are unsecured RMBC prudential borrowing will be required. |
| | | | | Identified Resources | 0 | 0 | 0 | 0 | 0 | 0 | |
| | | | | **Shortfall** | **50** | **50** | **7,500** | **7,500** | **0** | **15,100** | |

## Economic Growth Projects

| | |
|---|---|
| **Advisory Cabinet Member** | Jobs and the local economy (D.Lelliott) |
| **Service Area** | Planning & Development Services |

| Ref | Scheme | Criteria | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | 16/17 | 17/18 | 18/19 | 19/20 | 20/21 | Total | Resources Comments |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **127** | Advanced Manufacturing Innovation District (AMID) | Desirable Works - Service imp. | The AMID brings together Universities, Local Authorities and the private sector around a 2,000 acre centre of excellence in metals and materials manufacturing, spanning the Rotherham-Sheffield border to accelerate and enhance the growth potential of business encompassing design, technical services, professional services and distribution across the whole of the SCR.<br><br>AMID builds on the research and innovation capacity of the Advanced Manufacturing Park (AMP). It is a flagship project for the Northern Powerhouse and is specifically referenced in the Devolution Deal. AMID will transform business and investor perceptions of the SCR as a place to invest where world-leading innovation is driving an advanced economy.<br><br>We will master plan the area between the AMP and the town centre; and deliver strategic interventions to connect the town centre and Templeborough with the AMID core. This will address the need to expand the core within the next 5 years and unlock the potential for up to 6,000 homes in and around the town centre creating a place for people to work, live and spend their leisure time. Within the AMID Magna is seen by the Council as a key site, as a conference and events space within the Sheffield City Region. | Estimated Spend | 0 | 0 | 0 | 0 | 0 | 0 | |
| | | | | Identified Resources | 0 | 0 | 0 | 0 | 0 | 0 | |
| | | | | **Shortfall** | **0** | **0** | **0** | **0** | **0** | **0** | |

| Economic Growth Projects | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Planning & Development Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **128** | Todwick North Development Site | Desirable Works – Planned Strategic Intent | 30 hectare site proposed for economic development in the emerging Local Plan. The site is intended to attract major inward investment by accommodating one or more large users or through the development of smaller plots, which will comprise a high quality business park.<br><br>The site will be delivered by the private sector, however the Council may wish to consider any assistance which enables the site to come forward, or reduces the risk of non-delivery.<br><br>Outputs/Outcomes<br><br>Provision of more sites and buildings for economic growth.<br><br>Increased business rates and increased employment for local residents<br><br>The current timetable is that the plan is adopted in early 2017 so that the site would be allocated for development and removed from the green belt. The site would then go through the planning process, with infrastructure enabling works following. On this basis development would start in 2018/19 at the earliest. | Estimated Spend | 0 | 0 | 0 | 0 | 0 | 0 | |
| | | | | Identified Resources | 0 | 0 | 0 | 0 | 0 | 0 | |
| | | | | **Shortfall** | **0** | **0** | **0** | **0** | **0** | **0** | |

| Economic Growth Projects | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | |
| **Service Area** | | | | Planning & Development Services | | | | | | | |
| | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** |
| **129** | Cumwell Lane (Hellaby) Development Site | Desirable Works – Planned Strategic Intent | 16 hectare site proposed for economic development in the emerging Local Plan.<br><br>The site will be delivered by the private sector; however the Council may wish to consider any assistance which enables the site to come forward, or reduce the risks of non-delivery.<br><br>Outputs/Outcomes<br><br>Provision of more sites and buildings for economic growth.<br><br>Increased business rates and increased employment for local residents.<br><br>The current timetable is that the plan is adopted in early 2017 so that the site would be allocated for development and removed from the green belt. The site would then go through the planning process, with infrastructure enabling works following. On this basis development would start in 2018/19 at the earliest. | Estimated Spend | 0 | 0 | 0 | 0 | 0 | 0 | |
| | | | | Identified Resources | 0 | 0 | 0 | 0 | 0 | 0 | |
| | | | | **Shortfall** | **0** | **0** | **0** | **0** | **0** | **0** | |

| Economic Growth Projects | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Advisory Cabinet Member** | | | | Jobs and the local economy (D.Lelliott) | | | | | | | | |
| **Service Area** | | | | Planning & Development Services | | | | | | | | |
| | | | | | | | | | | | | |
| Ref | **Scheme** | **Criteria** | **Brief Description** including proposed outcomes and outputs | Est. Spend / Resources / Shortfall | **16/17** | **17/18** | **18/19** | **19/20** | **20/21** | **Total** | **Resources Comments** | |
| **130** | New Incubation Centre (Successful Centres) - Hellaby/Maltby | Desirable Works – Planned Strategic Intent | Rotherham Investment and Development Office would like to add a 5th Incubation Centre to their existing portfolio of successful Centres. The ideal location would be around the M18, Hellaby/Maltby area. This particular area has been selected due to the popularity of the Matrix@Dinnington Business Centre which is currently 100% occupied. A number of enquiries have been from start-up/early stage companies showing an interest in starting a business in this area.<br><br>The current successful business incubation model will be used in a new development which would be a 30,000 sq. ft. Centre (lettable target 70%). A mixture of both office and workshop space offering approximately 45 – 50 units, split 60/40 office/workshop space. The new centre will also provide co-working space, a new resource to the existing RIDO Business Centres operation.<br><br>Estimated costs in the region of £5.1million (providing there is no issues with the land).A new facility would assist in the creation of new start-up businesses and employment opportunities in the Rotherham, Sheffield City Region area. | Estimated Spend | 0 | 2,000 | 3,100 | 0 | 0 | 5,100 | | |
| | | | | Identified Resources | 0 | 0 | 0 | 0 | 0 | 0 | | |
| | | | | **Shortfall** | **0** | **2,000** | **3,100** | **0** | **0** | **5,100** | | |

Agenda Item 12

Rotherham Metropolitan Borough Council

Public Report

**Summary Sheet**

**Council Report**
Council – 2nd March, 2016

**Title**
Prudential Indicators and Treasury Management and Investment Strategy 2016/17 – 2018/19

**Is this a Key Decision and has it been included on the Forward Plan?**
Yes, included on the Forward Plan for this meeting.

**Strategic Director Approving Submission of the Report**
Stuart Booth – (Interim) Strategic Director of Finance & Customer Services

**Report Author(s)**
Derek Gaffney (Chief Accountant)
Finance & Customer Services Directorate
01709 822005 derek.gaffney@rotherham.gov.uk

**Ward(s) Affected**
All

**Executive Summary**

The Local Government Act 2003 and supporting regulations require the Council to 'have regard to' the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice and prepare, set and publish prudential indicators and treasury indicators that ensure the Council's capital expenditure plans and affordable, prudent and sustainable in the long-term.

The Prudential Indicators and Treasury Management Strategy together form part of the process which ensures the Council meets the balanced budget requirement under the Local Government Finance Act 1992.

The report sets out the proposed Treasury Management Strategy Statement and Borrowing Limits for 2016/17 and Prudential Indicators for 2016/17 to 2018/19 and is being presented to Audit Committee in furtherance of its delegated role of scrutiny on Treasury matters, including the Treasury Management Strategy and related policies. The report was presented to the Advisory Cabinet/Commissioners' Decision Making meeting as part of the Council's 2016/17 Budget setting process.

In accordance with the Prudential Code for Capital Finance, the Secretary of State's Guidance on Local Government Investments, CIPFA's Code of Practice for Treasury Management in Local Authorities and with Council policy, the (Interim) Strategic

Director of Finance & Customer Services is required, prior to the commencement of each financial year to seek the approval of the Council to the following:

i. The Prudential Indicators and Limits for 2016/17 to 2018/19

ii. A Minimum Revenue Provision (MRP) Statement which sets out the Council's policy on MRP

iii. An Annual Treasury Management Strategy in accordance with the CIPFA Code of Practice on Treasury Management including the Authorised Limit

iv. An Investment Strategy in accordance with the Department for Communities and Local Government (CLG) investment guidance

Albeit a technical and complex report the key messages are:

a. Investments – the primary governing principle will remain **security** over return and the criteria for selecting counterparties reflect this. Cash available for investment will remain low, resulting in low returns;

b. Borrowing – overall, this will remain fairly constant over the period covered by this report and the Council will remain under-borrowed against its borrowing requirement due to the higher cost of carrying debt. New borrowing will only be taken up as debt matures; and,

c. Governance – strategies are reviewed by the Audit Committee with continuous monitoring which includes Mid-Year and Year End reporting.

**Recommendations**

**That Council:-**

**i. Approves the prudential indicators and limits for 2016/17 to 2018/19 contained in the report;**

**ii. Approves the Minimum Revenue Provision Policy Statement contained in Appendix A which sets out the Council's policy;**

**iii. Approves the Treasury Management Strategy for 2016/17 to 2018/19 and the Authorised Limit Prudential Indicator; and,**

**iv. Approves the Investment Strategy for 2016/17 to 2018/19**

**List of Appendices Included**

Appendix A – Proposed Wording of Minimum Revenue Provision Policy Statement
Appendix B – Borrowing and Investment Projections 2015/16 to 2018/19
Appendix C – Treasury Management Practice (TMP) 1 (5) – Credit and Counterparty Risk Management
Appendix D – Security, Liquidity and Yield Benchmarking

**Background Papers**
CIPFA – The Prudential Code for Capital Finance in Local Authorities
CIPFA – Treasury Management in the Public Services – Code of Practice and Cross-Sectoral Guidance Notes
CIPFA – Treasury Management in the Public Services – Guidance Notes for Local Authorities including Police Authorities and Fire Authorities
Communities and Local Government Investment Guidance – March 2010
The Local Government Act 2003

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**
Yes, Audit Committee prior to submission to this Meeting
Cabinet – 23rd February, 2016

**Council Approval Required**
Yes

**Exempt from the Press and Public**
No

**Prudential Indicators and Treasury Management and Investment Strategy 2016/17 – 2018/19**

## 1. Recommendations

**That Council:-**

**i. Approves the prudential indicators and limits for 2016/17 to 2018/19 contained in the report;**

**ii. Approves the Minimum Revenue Provision Policy Statement contained in Appendix A which sets out the Council's policy;**

**iii. Approves the Treasury Management Strategy for 2016/17 to 2018/19 and the Authorised Limit Prudential Indicator; and,**

**iv. Approves the Investment Strategy for 2016/17 to 2018/19**

## 2. Background

2.1 The Local Government Act 2003 and supporting regulations require the Council to 'have regard to' the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice and prepare, set and publish prudential indicators and treasury indicators that ensure the Council's capital expenditure plans and affordable, prudent and sustainable in the long-term.

The prudential indicators consider the affordability and impact of capital expenditure plans, and set out the Council's overall capital framework. Each prudential indicator either summarises the expected activity or introduces limits upon the activity, and reflects the underlying capital programme.

Within the overall prudential framework there is a clear impact on the Council's treasury management activity, either through borrowing or investment activity. As a consequence a Treasury Management Strategy is prepared which considers the effective funding of the capital expenditure decisions and complements the prudential indicators.

2.2 The Prudential Indicators and Treasury Management Strategy together form part of the process which ensures the Council meets the balanced budget requirement under the Local Government Finance Act 1992. It is a statutory requirement under Section 33, revised under Section 31 of the Localism Bill 2011, for the Council to produce a **balanced budget**. In particular, Section 31 requires the Council to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions.

This, therefore, means that increases in capital expenditure must be limited to a level whereby charges to revenue are also limited to a level which is affordable within the projected income of the Council for the foreseeable future. These increased charges arise from:

- increases in interest charges and debt repayment caused by increased borrowing to finance additional to capital expenditure; and
- any increases in running costs from new capital projects

2.3 Treasury management is therefore an important part of the overall financial management of the Council's affairs and is defined as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

Specific treasury indicators are prepared and included in the Treasury Management Strategy which requires Member approval.

The Council's treasury activities are strictly regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management – revised November 2009). The Council adopted the Code of Practice on Treasury Management (Cabinet, March 2004) and adopted the revisions to the Code in March 2010.

2.4 The Council's constitution (via Financial Regulations) requires the annual Treasury Management Strategy to be reported to Council outlining the expected treasury activity for the forthcoming 3 years. A key requirement of this report is to explain both the risks, and the management of the risks, associated with the treasury service. As a minimum a mid-year monitoring report is produced with a further report produced after the year-end to report on actual activity for the year.

Reports on Treasury matters are also required to be adequately scrutinised before being recommended to the Council and this role is undertaken by Audit Committee.

## 3. Key Issues

### 3.1 Overview

The Council's 2015/16 Prudential Indicators and Treasury Management Strategy was approved by Council on 4 March 2015, whilst a Mid-Year report which updated the 2015/16 approved indicators was approved by Council on 27 January 2016. This report provides an update for the period 2015/16 to 2017/18 and introduces new indicators and forecasts for 2018/19.

Section 3.2 of the report details the key elements of the Council's Capital Expenditure Plans and associated Prudential Indicators. The Treasury Management Strategy (including the Investment Strategy) is detailed in Sections 3.3. Supporting detail is provided in the Appendices.

The Treasury Management Strategy has been drawn up in association with the Council's treasury management advisors, Capita Asset Services, part of The Capita Group plc.

This is a technical and complex report however the key messages are:

- Investments – the primary governing principle will remain **security** over return and the criteria for selecting counterparties reflect this. Cash available for investment will remain low, resulting in low returns.

- Borrowing – overall, this will remain fairly constant over the period covered by this report and the Council will remain under-borrowed against the borrowing requirement due to the higher cost of carrying debt. New borrowing will only be taken up as debt matures.

- Governance – strategies are reviewed by the Audit Committee with continuous monitoring which includes the Mid-Year and Year End reporting.

## 3.2 CAPITAL EXPENDITURE PLANS & PRUDENTIAL INDICATORS 2015/16 TO 2017/18

### 3.2.1 The Capital Expenditure Plans

The Council's capital expenditure plans are summarised below and form the first of the prudential indicators. A certain level of capital expenditure is grant supported by the Government; any decisions by the Council to spend above this level will be considered unsupported capital expenditure. This unsupported capital expenditure needs to have regard to:

- Service objectives (e.g. strategic planning);
- Stewardship of assets (e.g. asset management planning);
- Value for money (e.g. option appraisal)
- Prudence and sustainability (e.g. implications for external borrowing and whole life costing);
- Affordability (e.g. implications for the council tax and rents)
- Practicality (e.g. the achievability of the forward plan).

The revenue consequences of capital expenditure, particularly the unsupported expenditure, will need to be paid for from the Council's own revenue resources.

This capital expenditure can be paid for immediately (by applying capital resources such as capital receipts, capital grants etc., or revenue resources), but if these resources are insufficient any residual expenditure will add to the Council's borrowing need.

3.2.2 The key risks to the plans are that the level of Government support has been estimated and is therefore subject to change. Similarly some of estimates for other sources of funding, such as capital receipts, may also be subject to change over this timescale. For example, anticipated asset sales resulting from the Council's on-going asset rationalisation programme may be deferred due to the on-going impact of the current economic & financial conditions on the property market.

3.2.3 The Cabinet is asked to recommend to Council that it approves the summary capital expenditure projections below which are based on the currently approved Capital Programme 2015/16 to 2017/18 and the schemes (excluding the Development Pool) proposed as part of the new Capital Strategy and detailed Capital Programme.

| | **2015/16 Revised £m** | **2016/17 Estimated £m** | **2017/18 Estimated £m** | **2018/19 Estimated £m** |
|---|---|---|---|---|
| Children & Young People's Services | 11.650 | 4.726 | 0.550 | 0.000 |
| Env & Dev Services | 24.924 | 21.465 | 16.881 | 20.737 |
| Neighbourhoods & Adult Services – Non HRA | 4.938 | 5.013 | 5.180 | 7.600 |
| Resources | 2.782 | 4.108 | 1.705 | 0.562 |
| **Total Non-HRA** | **44.294** | **35.312** | **24.316** | **28.899** |
| HRA | 31.732 | 32.992 | 33.927 | 25.900 |
| **Total HRA** | **31.732** | **32.992** | **33.927** | **25.900** |
| **Total expenditure** | **76.026** | **68.304** | **58.243** | **54.799** |
| Capital receipts | 3.532 | 5.746 | 7.283 | 3.262 |
| Capital grants, capital contributions & sources other capital funding | 52.179 | 44.691 | 39.937 | 32.400 |
| **Total financing** | **55.711** | **50.437** | **47.220** | **35.662** |
| | | | | |
| **Net financing need for the year** | **20.315** | **17.867** | **11.023** | **19.137** |

The above net financing need excludes other long-term liabilities, such as PFI and leasing arrangements which already include borrowing instruments. The table therefore indicates the likely additional borrowing that the Council will need to finance from its revenue Budget.

3.2.4 **<u>The Capital Financing Requirement (the Council's Borrowing Need)</u>**

The second prudential indicator is the Council's Capital Financing Requirement (CFR). The CFR is the total outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need (i.e. the cumulative net financing need) and the capital expenditure shown above which has not immediately been paid for increases the CFR.

Following accounting changes the CFR includes any other long term liabilities (OLTL) brought onto the Balance Sheet (e.g. PFI schemes). Whilst this increases the CFR, and therefore the Council's borrowing requirement, these types of scheme include a "borrowing facility" and so the Council is not required to separately borrow for these schemes. It is estimated the Council will have £137.588m within the total CFR at 1 April 2016 in respect of such schemes, primarily the Schools, Leisure and Waste PFI schemes.

The Cabinet will ask Council to approve the CFR projections below:

| | **2015/16 Revised £m** | **2016/17 Estimated £m** | **2017/18 Estimated £m** | **2018/19 Estimated £m** |
|---|---|---|---|---|
| CFR – General Fund | 483.637 | 498.963 | 506.801 | 522.148 |
| CFR – HRA | 304.125 | 304.125 | 304.125 | 304.125 |
| **Total CFR** | **787.762** | **803.088** | **810.926** | **826.273** |
| **Movement in CFR** | **6.149** | **15.326** | **7.838** | **15.347** |
| | | | | |
| **Movement in CFR represented by:** | | | | |
| Net financing need for the year (table at 3.2.3 above) | 20.315 | 17.867 | 11.023 | 19.137 |
| Net financing need for the year for OLTL | 11.894 | -2.154 | -2.725 | -3.120 |
| **Less** Minimum Revenue Provision and other financing movements | -26.060 | -0.387 | -0.460 | -0.670 |
| **Movement in CFR** | **6.149** | **15.326** | **7.838** | **15.347** |

3.2.5 **Minimum Revenue Provision Policy Statement**

3.2.5.1 The Council is required to pay off an element of the accumulated General Fund CFR each year through a revenue charge (the Minimum Revenue Provision - MRP). In addition, it is also allowed to make additional voluntary payments (VRP) where it is prudent to do so. Repayments included in annual PFI charges or finance lease payments are also applied as MRP.

No MRP charge is currently required for the HRA. The HRA charges depreciation on its assets, which is a revenue charge. To alleviate the impact of this charge falling on the tenants, HRA regulations allow the Major Repairs Allowance to be used as a proxy for depreciation for the first five years under self-financing (up until 2017/18).

3.2.5.2 CLG Regulations require full Council to approve an MRP Statement in advance of each financial year and detailed rules have been replaced by a single duty to charge an amount of MRP which the Council considers 'prudent'.

The (Interim) Strategic Director of Finance & Customer Services will, where it is prudent to do so, use discretion to review the overall financing of the capital programme and the opportunities afforded by the regulations to maximise the benefit to the Council whilst ensuring it meets its duty to charge a 'prudent' provision. To provide maximum flexibility into the future the recommended MRP policy includes the use of the annuity method in addition to the equal instalments method.

The wording of the proposed MRP Policy Statement requiring Council approval is shown at Appendix A.

3.2.6 **Affordability Prudential Indicators**

The previous sections cover those prudential indicators that are used to monitor the impact the capital expenditure plans has on the Council's borrowing position.

Within this framework prudential indicators are used to assess the affordability of the capital expenditure plans. Further indicators are used to provide an indication of the impact the capital expenditure plans has on the overall Council's finances. Cabinet will recommend that the Council be asked to approve the following indicators.

3.2.6.1 **Actual and Estimates of the ratio of financing costs to net revenue stream**

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream of the Council.

The estimates of financing costs include all current commitments, the proposals contained in the proposed 2016/17 Revenue Budget and updated future years' capital expenditure plans.

| Ratio of financing costs to Net Revenue Stream | | | | |
|---|---|---|---|---|
| | 2015/16 Revised % | 2016/17 Estimated % | 2017/18 Estimated % | 2018/19 Estimated % |
| Non-HRA | 6.30 | 6.46 | 7.36 | 8.34 |
| HRA | 15.94 | 16.43 | 16.55 | 16.56 |

3.2.6.2 **Estimates of the incremental impact of capital expenditure plans on the Council Tax**

This indicator identifies the revenue costs associated with proposed changes to the capital programme compared to the Council's existing commitments and current plans.

Only schemes in the Council's approved capital programme are included in the indicators and there may be further schemes pending approval. Any additional approvals will normally have to be funded from unsupported borrowing as all identified available resources have been allocated. This would impact on the prudential indicators above.

The impact on Band D Council Tax, as shown in the table below, indicates the impact of the Council's capital expenditure plans as already budgeted for within the proposed Revenue Budget for 2016/17 and the Council's Medium Term Financial Strategy, **and does not indicate additional requirements of Rotherham council tax payers**.

| Incremental impact of capital expenditure plans on the Band D Council Tax | | | | |
|---|---|---|---|---|
| | **Revised 2015/16 £** | **Proposed Budget 2016/17 £** | **Projection 2017/18 £** | **Projection 2018/19 £** |
| **Council Tax – Band D** | 12.29 | 17.06 | 15.93 | 17.40 |

3.2.6.3 **Estimates of the incremental impact of capital expenditure plans on Housing Rent levels**

Similar to the Council tax calculation, this indicator identifies the revenue cost of proposed changes in the housing capital programme compared to the Council's existing approved commitments and current plans expressed in terms of the impact on weekly rent levels.

| Incremental impact of capital expenditure plans on the Housing Rent levels | | | | |
|---|---|---|---|---|
| | **Revised 2015/16 £** | **Proposed Budget 2016/17 £** | **Projection 2017/18 £** | **Projection 2018/19 £** |
| **Weekly Housing Rent levels** | £0.00 | £0.00 | £0.00 | £0.00 |

## 3.3 TREASURY MANAGEMENT STRATEGY 2016/17 – 2018/19

The Treasury Management Strategy covers:

a. The Council's borrowing and investment projections (para. 3.3.1);
b. The Council's estimates and limits to borrowing activity (para. 3.3.2 to 3.3.5);
c. The expected movement in interest rates (para. 3.3.6);
d. The Council's borrowing and debt strategy (para. 3.3.7);
e. The Council's investment strategy (para. 3.3.8);
f. Treasury Management prudential indicators and limits on activity (para. 3.3.9);
g. Treasury performance indicators (para. 3.3.10); and
h. Policy on the use of external service advisers (para. 3.3.11).

3.3.1 **Borrowing and Investment Projections 2016/17 – 2018/19**

The borrowing requirement comprises the expected movement in the CFR and any maturing debt which will need to be re-financed.

The effect on the treasury position over the next three years for both the Council and the ex-SYCC debt that the Council administers on behalf of the other South Yorkshire authorities is shown in the table attached at Appendix B. The table also highlights the expected level of investment balances.

3.3.2 **Limits to Borrowing Activity**

There are a number of key indicators to ensure the Council operates its activities within well-defined limits.

For the first of these, the Council needs to ensure that its total borrowing net of any investments, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2016/17 and the following two financial years. This allows some flexibility for limited early borrowing for future years (para. 3.3.4).

The (Interim) Strategic Director of Finance & Customer Services reports that the Council has complied with this indicator in the current year and does not envisage difficulties for the future (the table below refers). This view takes into account approved commitments and existing plans.

| RMBC | 2015/16 Revised £m | 2016/17 Estimated £m | 2017/18 Estimated £m | 2018/19 Estimated £m |
|---|---|---|---|---|
| Borrowing (loans outstanding) | 481.017 | 490.805 | 553.233 | 593.484 |
| Borrowing included within OLTL | 137.588 | 135.434 | 132.709 | 129.589 |
| **Total Borrowing** | **618.605** | **626.239** | **685.942** | **723.073** |
| | | | | |
| Less: Investments | 20.000 | 20.000 | 50.000 | 80.000 |
| **Net Borrowing** | **598.605** | **606.239** | **635.942** | **643.073** |
| | | | | |
| CFR – excl. OLTL | 650.174 | 667.654 | 678.217 | 696.684 |
| CFR – OLTL | 137.588 | 135.434 | 132.709 | 129.589 |
| **Total CFR** | **787.762** | **803.088** | **810.926** | **826.273** |
| | | | | |
| **CFR less Net Borrowing** | **189.157** | **196.849** | **174.984** | **183.200** |

3.3.3 **The Overall Level of Borrowing**

A further two prudential indicators control or anticipate the overall level of borrowing. These are:

- The Authorised Limit for External Debt
- The Operational Boundary for External Debt

3.3.3.1 **The Authorised Limit for External Debt**

This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by full Council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all council's plans, or those of a specific council, although no such Government control has yet been exercised.

Cabinet is asked to recommend to Council the approval of the following Authorised Limit for RMBC:

| Authorised Limit for External Debt (RMBC) | 2015/16 Revised £m | 2016/17 Estimated £m | 2017/18 Estimated £m | 2018/19 Estimated £m |
|---|---|---|---|---|
| Borrowing | 683.381 | 698.201 | 702.315 | 701.855 |
| Other long term liabilities | 139.267 | 137.588 | 135.434 | 132.709 |
| Total | 822.648 | 835.789 | 837.749 | 834.564 |

Cabinet is also asked to recommend approval to Council of the following Authorised Limit for the former SYCC:

| Authorised Limit for External Debt (Former SYCC) | 2015/16 Revised £m | 2016/17 Estimated £m | 2017/18 Estimated £m | 2018/19 Estimated £m |
|---|---|---|---|---|
| Borrowing | 96.121 | 86.709 | 76.709 | 37.000 |
| Other long term liabilities | 0.000 | 0.000 | 0.000 | 0.000 |
| Total | 96.121 | 86.709 | 76.709 | 37.000 |

3.3.3.2 Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This limit remains unchanged until there is any change in Government legislation. Interest calculated with reference to the HRA CFR is charged on a fair & equitable basis.

| HRA Debt Limit | 2015/16 Revised £m | 2016/17 Estimated £m | 2017/18 Estimated £m | 2018/19 Estimated £m |
|---|---|---|---|---|
| HRA Debt Cap | 336.623 | 336.623 | 336.623 | 336.623 |
| HRA CFR | 304.125 | 304.125 | 304.125 | 304.125 |
| HRA Headroom (+) | +32.498 | +32.498 | +32.498 | +32.498 |

3.3.3.3 **The Operational Boundary for External Debt**

This is the amount beyond which external borrowing is not normally expected to exceed. In most cases this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual borrowing.

As a result of the planned continued under-borrowed position Cabinet is asked to recommend to Council that it approves the following Operational Boundary for RMBC:

| Operational Boundary for External Debt (RMBC) | 2015/16 Revised £m | 2016/17 Estimated £m | 2017/18 Estimated £m | 2018/19 Estimated £m |
|---|---|---|---|---|
| Borrowing | 481.017 | 490.805 | 553.233 | 593.484 |
| Other long term liabilities | 139.267 | 137.588 | 135.434 | 132.709 |
| Total | 620.284 | 628.393 | 688.667 | 726.193 |

Cabinet is asked to recommend to Council that it approves the following Operational Boundary for the former SYCC:

| Operational Boundary for External Debt (Former SYCC) | 2015/16 Revised £m | 2016/17 Estimated £m | 2017/18 Estimated £m | 2018/19 Estimated £m |
|---|---|---|---|---|
| Borrowing | 96.121 | 86.709 | 76.709 | 37.000 |
| Other long term liabilities | 0.000 | 0.000 | 0.000 | 0.000 |
| Total | 96.121 | 86.709 | 76.709 | 37.000 |

3.3.4 **Policy on Borrowing in Advance of Need**

The Council has some flexibility to borrow funds in advance for use in future years. The (Interim) Strategic Director of Finance & Customer Services may do this under delegated powers where, for instance, a sharp rise in interest rates is expected, and so borrowing early at fixed interest rates will be economically beneficial or help meet budgetary constraints.

Whilst the (Interim) Strategic Director of Finance & Customer Services will adopt a prudent approach to any such borrowing, where there is a clear business case for doing so borrowing may be undertaken to fund the approved capital programme or to fund debt maturities.

Risks associated with any advance borrowing activity will be subject to appraisal in advance and subsequent reporting through the mid-year and annual reporting mechanism.

3.3.5 **Debt Rescheduling**

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. These savings will need to be considered in the light of the current treasury position and the value of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- The generation of cash savings and/or discounted cash flow savings;
- Helping to fulfil the treasury strategy; and,
- Enhancing the balance of the portfolio (amending the maturity profile and/or the balance of volatility.

3.3.6 **Expected Movement in Interest Rates**

The Bank Rate, currently 0.50%, underpins investment returns and is not expected to start increasing until the fourth quarter of 2016. This is despite inflation remaining below the Monetary Policy Committee inflation target of 2% and unemployment falling below the 7% at which point the Bank of England had indicated it may consider increasing the rate.

Due to on-going issues in areas of the world economy, most notably China, the Eurozone, and falling commodity prices there is continuing uncertainty in the financial markets. As a result, the outlook for borrowing rates also continues to be uncertain and difficult to predict. Short-term rates to one-year are expected to remain at current levels. The outlook for long-term interest rates continues to be favourable in the near future, but is expected to become less so towards the end of the next or early in the following financial year.

This challenging outlook has several key treasury management implications:

- Investment returns are likely to remain relatively low during 2016/17;

- Borrowing interest rates are currently attractive but are less likely to remain so going forward. The Council has adopted a policy of delaying new borrowing by utilising spare cash balances over the last few years. This approach needs to be carefully reviewed to avoid incurring higher borrowing costs in future, when the Council will not be able to delay new borrowing to finance new capital expenditure and/or to refinance maturing debt. The timing of any borrowing will therefore be monitored carefully; and

- There will remain a cost of carrying capital – any borrowing undertaken that results in an increase in investments will incur an incremental cost as the cost of borrowing is greater than the likely investment return.

3.3.7 **Borrowing and Debt Strategy 2016/17 – 2018/19**

The Council is currently maintaining an under-borrowed position. This means that the CFR has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk remains relatively high.

The uncertainty over future interest rates increases the inherent risks associated with treasury activity. As a result the Council will continue to take a prudent approach to its treasury strategy.

The (Interim) Strategic Director of Finance & Customer Services, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast above. It is likely shorter term fixed rates may provide lower cost opportunities in the short to medium term.

3.3.8 **Investment Strategy 2016/17 – 2018/19**

The primary objectives of the Council's investment strategy are:

- Firstly to safeguard the timely repayment of principal and interest (security);
- Secondly to ensure adequate liquidity; and
- Thirdly to produce an investment return (yield).

3.3.8.1 As part of this Strategy, Members need to consider and approve security and liquidity benchmarks in addition to yield benchmarks which are currently widely used to assess investment performance and have previously been reported to Members. The proposed benchmarks are set down in Appendix D.

3.3.8.2 The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle the Council will ensure:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the Specified and Non-Specified investment sections of Appendix C.

- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested as set out in Appendix D.

3.3.8.3 The (Interim) Strategic Director of Finance & Customer Services will maintain a counterparty list in compliance with the criteria set out in 3.3.8.5 and will revise the criteria and submit them to Council for approval as necessary. These criteria are different to those which are used to select Specified and Non-Specified investments.

The rating criteria use the lowest common denominator method of selecting counterparties and applying limits. This means that the application of the Council's minimum criteria will apply to the lowest available rating for any institution. For instance if an institution is rated by two agencies, one meets the Council's criteria, the other does not, the institution will fall outside the lending criteria. This is in compliance with a CIPFA Treasury Management Panel recommendation in March 2009 and the CIPFA Treasury Management Code of Practice.

3.3.8.4 Credit rating information is supplied by our treasury advisors on all active counterparties that comply with the criteria in section 3.3.8.5. Any counterparty failing to meet the criteria would be omitted from the counterparty list. Any rating changes, rating watches (notification of a likely change) and rating outlooks (notification of a possible long term change) are provided to officers almost immediately after they occur and this information is considered before any investment decision is taken.

3.3.8.5 The criteria for providing a portfolio of high quality investment counterparties (both Specified and Non-Specified investments) are:

- **Banks** – The Council will use banks which are rated by at least two rating agencies and have at least the following Fitch, Moody's and Standard and Poors' ratings (where rated):

| | Fitch | Moody's | Standards & Poor's |
|---|---|---|---|
| Short-term | F1 | P-1 | A-1 |
| Long-term | A- | A3 | A- |

To allow for the day to day management of the Council's cash flow the Council's bankers will also be retained on the list of counterparties if ratings fall below the above minimum criteria.

- **Building Societies** – the Council will use the top 20 Building Societies ranked by asset size but restricted to a maximum of 20% of the investment portfolio

- **Money Market Funds** – AAA – restricted to a maximum of 20% of the investment portfolio

- **UK Government** – Debt Management Office

- **UK Single Tier & County Councils** – (i.e. Metropolitan Districts, London Boroughs, County Councils, Unitary Authorities)

A limit of 35% will be applied to the use of Non-Specified investments within the investment portfolio, excluding day to day cash management through the Council's own bank.

Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market and sovereign information will continue to be applied before making any specific investment decision from the agreed portfolio of counterparties.

3.3.8.6 The time and monetary limits for institutions on the Council's Counterparty List are as follows and represent no change from those currently approved (these will cover both Specified and Non-Specified Investments):

| | Fitch | Moody's | Standard & Poor's | Money Limit | Time Limit |
|---|---|---|---|---|---|
| Upper Limit Category | F1+/AA- | P-1/Aa3 | A-1+/AA- | £20m | 5 years |
| Middle Limit Category | F1/A- | P-1/A3 | A-1/A- | £10m | 364 days |
| Lower Limit Category * | All Building Soc's ranked 1 to 10<br>All Building Soc's ranked 11 to 20 | | | £5m<br>£1m | 6 mths<br>3 mths |
| Debt Management Office | - | - | - | Unlimited ** | 6 months |
| Money Market Funds *** | - | - | - | £20m | n/a |
| UK Single Tier & County Councils | - | - | - | £20m | 5 years |
| Council's Bankers | - | - | - | £10m | 364 days |
| The above money limits are exclusive of bank balances held by schools<br>* Based on maximum of 20% of the investment portfolio<br>** Provides maximum flexibility<br>*** Based on maximum of 20% of the investment portfolio | | | | | |

3.3.8.7 The proposed criteria for Specified and Non-Specified investments and monitoring of counterparties are shown in Appendix C for Member approval.

In the normal course of the Council's cash flow operations it is expected that both Specified and Non-specified investments will be utilised for the control of liquidity as both categories allow for short term investments.

The use of longer term instruments (greater than one year from inception to repayment) will fall in the Non-specified investment category. These instruments will only be used where the Council's liquidity requirements are safeguarded. This will also be limited by the long term investment limits.

3.3.9 **Treasury Management Prudential Indicators and Limits on Activity**

3.3.9.1 There are four further treasury activity limits the purpose of which are to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However if these are set to be too restrictive they will impair the opportunities to reduce costs. The limits are:

- Upper limits on fixed interest rate exposure – This identifies a maximum limit for fixed interest rates based upon the fixed debt position net of fixed interest rate investments.

- Upper limits on variable interest rate exposure – as above this limit covers a maximum limit on variable interest rates based upon the variable debt position net of variable interest rate investments.

- Maturity structures of borrowing – These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

- Total funds invested for greater than 364 days – These limits are set to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

For the purposes of these indicators the Council's market debt with Financial Institutions is treated as variable where debt may be subject to variation on specific call dates each year. However, over this Strategy period any such variations are thought unlikely.

3.3.9.2 The activity limits (prudential indicators) for Member approval are as follows:

| **RMBC** | **2016/17** | **2017/18** | **2018/19** |
|---|---|---|---|
| **Interest rate Exposures** | | | |
| | **Upper** | **Upper** | **Upper** |
| **Limits on fixed interest rate debt based on fixed net debt** | 100% | 100% | 100% |
| **Limits on variable interest rate debt based on variable net debt** | 30% | 30% | 30% |

| **RMBC Maturity Structure of fixed interest rate borrowing 2016/17** | | |
|---|---|---|
| | **Lower** | **Upper** |
| Under 12 months | 0% | 35% |
| 12 months to 2 years | 0% | 35% |
| 2 years to 5 years | 0% | 40% |
| 5 years to 10 years | 0% | 40% |
| 10 years to 20 years | 0% | 45% |
| 20 years to 30 years | 0% | 50% |
| 30 years to 40 years | 0% | 50% |
| 40 years to 50 years | 0% | 55% |
| 50 years and above | 0% | 60% |

| **RMBC Maximum Funds invested > 364 days** | | | |
|---|---|---|---|
| | 1 to 2 years | 2 to 3 years | 3 to 5 years |
| Funds invested > 364 days | £m<br>10 | £m<br>8 | £m<br>6 |

| Former SYCC | 2016/17 | 2017/18 | 2018/19 |
|---|---|---|---|
| **Interest Rate Exposures** | | | |
| | **Upper** | **Upper** | **Upper** |
| **Limits on fixed interest rates based on total debt** | 100% | 100% | 100% |
| **Limits on variable interest rates based on total debt** | 30% | 30% | 30% |

| Former SYCC Maturity Structure of fixed interest rate borrowing 2016/17 | | |
|---|---|---|
| | **Lower** | **Upper** |
| Under 12 months | 0% | 25% |
| 12 months to 2 years | 0% | 50% |
| 2 years to 5 years | 0% | 100% |

3.3.10 **Treasury Performance Indicators**

The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking. The results of the following two indicators will be reported in the Treasury Annual Report for 2016/17:

- Debt – Borrowing - Average rate of borrowing for the year compared to average available
- Investments – Internal returns above the 7 day London Interbank Bid rate (LIBID) which is the rate at which a bank is willing to borrow from other banks

3.3.11 **Training**

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to Members responsible for scrutiny. Training has recently been undertaken by Members of the Audit Committee and further training will be arranged as required. The training needs of treasury management officers are periodically reviewed.

3.3.12 **Policy on the use of external service advisors**

The Council uses Capita Asset Services a subsidiary of The Capita Group plc as its treasury management advisors.

The company provides a range of services which include:

- Technical support on treasury matters, capital finance issues and the drafting of Member reports;
- Economic and interest rate analysis;

- Debt services which includes advice on the timing of borrowing;
- Debt rescheduling advice surrounding the existing portfolio;
- Generic investment advice on interest rates, timing and investment instruments; and,
- Credit rating/market information service comprising the three main credit rating agencies.

Whilst the advisers provide support to the internal treasury function, under current market rules and the CIPFA Code of Practice the Council recognises that responsibility for treasury management decisions remains with the Council at all times. The service is provided to the Council under a contractual agreement which is subject to regular review.

## 4. Options considered and recommended proposal

4.1 The recommendations have been put forward taking account of the proposed capital programme, the prevailing conditions in the financial markets and expectations for the future with regard to the economic outlook and the effect on interest rate, together with the actions required to manage risk in the Treasury Management activity for the forthcoming financial year.

## 5. Consultation

5.1 Consultation has taken place with the Council's Treasury Management Advisers, Capita plc

5.2 Consultation with the Council's External Auditors KPMG has taken place with respect to the wording of the Council's Minimum Revenue Provision Policy Statement.

## 6. Timetable and Accountability for Implementing this Decision

6.1 Following consideration by Audit Committee the report is being presented to this meeting and then in accordance with the legislative requirements outlined in section 8 below the report will be submitted to full Council on 2nd March 2016.

## 7. Financial and Procurement Implications

7.1 Treasury Management forms an integral part of the Council's overall financial arrangements.

7.2 The assumptions supporting the capital financing budget for 2016/17 and for the future years covered by the MTFS of the Council have been reviewed in light of the current economic and financial conditions and the revised future years' capital programme.

7.3 The proposed Treasury Management and Investment Strategy is not forecasted to have any further revenue consequences other than those identified and planned for in both the Council's 2016/17 Revenue Budget and approved MTFS.

## 8. Legal Implications

8.1 It is a requirement that changes to the Council's prudential indicators and approved by Full Council

8.2 It is also a requirement that the Council's Minimum Revenue Provision Policy Statement for each financial year is approved by Full Council.

## 9. Human Resources Implications

9.1 There are no Human Resource implications arising from the report.

## 10. Implications for Children and Young People and Vulnerable Adults

10.1 There are no implications arising from the proposals to Children and Young People and Vulnerable Adults.

## 11. Equalities and Human Rights Implications

11.1 There are no implications arising from this report to Equalities and Human Rights.

## 12. Implications for Partners and Other Directorates

12.1 There are no implications arising from this report to Partners or other directorates.

## 13. Risks and Mitigation

13.1 The proposed Treasury Management and Investment Strategy seeks to minimise the risks inherent in operating a Treasury Management function during these difficult economic and financial conditions.

Operational Treasury Management guidelines will continue to be kept in place and reviewed to ensure they are appropriate given the circumstances faced, supported by regular monitoring to ensure that any risks and uncertainties are addressed at an early stage and hence kept to a minimum.

**14. Accountable Officer(s)**

Stuart Booth ((Interim) Strategic Director of Finance & Customer Services)

Approvals Obtained from:-

(Interim) Strategic Director of Finance & Customer Services:- Stuart Booth

(Interim) Assistant Director of Legal Services:- Catherine Parkinson

This report is published on the Council's website or can be found at:-
http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=

**Appendix A**

**Proposed Wording of Minimum Revenue Provision Policy Statement**

It is being recommended Council approve the following MRP policy in relation to the charge for the 2016/17 financial year:

(a) The MRP charge in relation to capital expenditure incurred prior to 2007/08 where the expenditure was funded by either supported or unsupported borrowing will be calculated using the expected useful life of the asset and the calculation of the provision will be by the annuity method;

(b) The MRP charge in relation to capital expenditure incurred since 2007/08 where the expenditure is funded by either supported or unsupported borrowing will be calculated using the expected useful life of the asset at the point the asset is brought into use. The calculation of the provision will be either the annuity method or the equal instalments method depending on which is most appropriate; and

(c) The MRP charge in relation to capital expenditure incurred since 2007/08 where the expenditure is funded by a 'capitalisation directive' (e.g. equal pay) will be calculated on the basis of the specified period(s) set down within the regulations. The calculation of the provision will be either the annuity method or the equal instalments method depending on which is most appropriate.

(d) For the sake of clarity, where MRP has been overcharged in previous years, the recovery of the overcharge will be effected by taking an MRP holiday in full or in part against future years charges that would otherwise have been made. The MRP holiday adjustment to the future years charge will be done in such a way as to ensure that:

- the total MRP after applying the adjustment will not be less than zero in any financial year
- the cumulative amount adjusted for will never exceed the amount over-charged;
- the extent of the adjustment will be reviewed on an annual basis

**Appendix B**

**Borrowing and Investment Projections 2015/16 to 2018/19**

| RMBC | 2015/16 Revised £m | 2016/17 Estimated £m | 2017/18 Estimated £m | 2018/19 Estimated £m |
|---|---|---|---|---|
| **External Debt** | | | | |
| Borrowing at 1 April | 468.884 | 481.017 | 490.805 | 553.233 |
| Expected change in debt | 12.133 | 9.788 | 62.428 | 40.251 |
| Borrowing at 31 March | 481.017 | 490.805 | 553.233 | 593.484 |
| | | | | |
| Other long-term liabilities (OLTL) at 1 April | 125.694 | 137.588 | 135.434 | 132.709 |
| Expected change in OLTL | 11.894 | -2.154 | -2.725 | -3.120 |
| Other long-term liabilities (OLTL) at 31 March | 137.588 | 135.434 | 132.709 | 129.589 |
| | | | | |
| Total Borrowing & OLTL at 31 March | 618.605 | 626.239 | 685.942 | 723.073 |
| | | | | |
| **Investments** | | | | |
| Total Investments at 1 April | 18.674 | 20.000 | 20.000 | 50.000 |
| Investment change | 1.326 | 0.000 | 30.000 | 30.000 |
| Total Investments at 31 March | 20.000 | 20.000 | 50.000 | 80.000 |
| | | | | |
| Net borrowing at 31 March | 598.605 | 606.239 | 635.942 | 643.073 |

| Ex SYCC | 2015/16 Revised £m | 2016/17 Estimated £m | 2017/18 Estimated £m | 2018/19 Estimated £m |
|---|---|---|---|---|
| **External Debt** | | | | |
| Borrowing at 1 April | 96.121 | 86.709 | 76.709 | 37.000 |
| Expected change in debt | -9.412 | -10.000 | -39.709 | -0.811 |
| Borrowing at 31 March | 86.709 | 76.709 | 37.000 | 36.189 |
| | | | | |
| **Investments** | | | | |
| Total Investments at 1 April | 0.000 | 0.000 | 0.000 | 0.000 |
| Investment change | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Investments 31 March | 0.000 | 0.000 | 0.000 | 0.000 |
| | | | | |
| Net borrowing at 31 March | 86.709 | 76.709 | 37.000 | 36.189 |

**Appendix C**

**Treasury Management Practice (TMP) 1 (5) – Credit and Counterparty Risk Management**

## 1. Overview

1.1 The Office of the Deputy Prime Minister (now CLG) issued Revised Investment Guidance in March 2010, and this forms the structure of the Council's policy below.

The key intention of the Guidance is to maintain the current requirement for councils to invest prudently, and that priority is given to security and liquidity before yield.

1.2 In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council has adopted the Code will apply its principles to all investment activity.

In accordance with the Code, the (Interim) Strategic Director of Finance & Customer Services has reviewed and prepared its treasury management practices. This part, TMP 1(5), covering investment counterparty policy requires approval each year.

## 2. Annual Investment Strategy

2.1 The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of the following:

- The guidelines for investment decision making, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which investments can be made.
- The specified investments the Council may use.
- The non-specified investments the Council may use.

This strategy is to be approved by full Council.

The investment policy proposed for the Council is detailed in the paragraphs below.

2.2 **Strategy Guidelines**

The main strategy guidelines are contained in the body of the treasury strategy statement.

2.3 **Specified Investments**

2.3.1 These investments are sterling investments of not more than one-year maturity. If they are for a longer period then the Council must have the right to be repaid within 12 months if it wishes.

These are low risk assets where the possibility of loss of principal or investment income is small.

2.3.2 These would include the following investment categories:

1. The UK Government Debt Management Office.

2. UK Single Tier & County Councils – (i.e. Metropolitans District, London Boroughs, County Councils, Unitary Authorities)

3. Money Market Funds that have been awarded AAA credit ratings by Standard and Poor's, Moody's or Fitch rating agencies and restricted to 20% of the overall investment portfolio

4. A bank or a building society that has been awarded a minimum short-term rating of F1 by Fitch, P-1 by Moody's and A-1 by Standard and Poor's rating agencies. For Building Societies investments will be restricted to 20% of the overall investment portfolio and:

   - a maximum of £5m for a period not exceeding 6 months if the society is ranked in the top 10 by asset size; or
   - a maximum of £1m and a period not exceeding 3 months if the society is ranked 11 to 20 by asset size.

2.4 **Non-Specified Investments**

2.4.1 Non-specified investments are any other type of investment not defined as specified above.

The criteria supporting the selection of these investments and the maximum limits to be applied are set out below.

2.4.2 Non specified investments would include any sterling investments with:

1. A bank that has been awarded a minimum long term credit rating of AA- by Fitch, Aa3 by Moody's and AA- by Standard & Poor's for deposits with a maturity of greater than 1 year.

2. The Council's own bank if ratings fall below the above minimum criteria.

3. A Building Society which is ranked in the top 20 by asset size. Investments will be restricted to 20% of the overall investment portfolio and:

   - a maximum of £5m for a period not exceeding 6 months if the Society is ranked in the top 10 by asset size; or
   - a maximum of £1m and a period not exceeding 3 months if the Society is ranked 11 to 20 by asset size.

## 3 The Monitoring of Investment Counterparties

3.1 The credit rating of counterparties will be monitored regularly. The Council receives credit rating information from the Council Treasury Management advisors on a daily basis, as and when ratings change, and counterparties are checked promptly.

On occasions ratings may be downgraded after the date on which an investment has been made. It would be expected that a minor downgrading would not affect the full receipt of the principal and interest.

3.2 Any counterparty failing to meet the minimum criteria will be removed from the list immediately by the (Interim) Strategic Director of Finance & Customer Services, and new counterparties will be added to the list if and when they meet the minimum criteria.

**Appendix D**

**Security, Liquidity and Yield Benchmarking**

These benchmarks are targets and so may be exceeded from time to time with any variation reported, with supporting reasons in Mid-Year & Annual Treasury Reports.

**1. Security and liquidity**

These benchmarks are already intrinsic to the approved treasury strategy through the counterparty selection criteria and some of the prudential indicators, e.g. the maximum funds which may be invested for more than 364 days, the limit on the use of Non-specified investments, etc.

1.1 **Security**

1.1.1 Security is currently evidenced by the application of minimum criteria to investment counterparties, primarily through the use of credit ratings supplied by the three main credit rating agencies. Whilst this approach embodies security considerations, benchmarking the levels of risk is more subjective and therefore problematic.

1.1.2 One method to benchmark security risk is to assess the historic level of default against the minimum criteria used in the Council's investment strategy.

| Credit Rating | 1 year | 2 years | 3 years | 4 years | 5 years |
|---|---|---|---|---|---|
| **AAA** | 0.04% | 0.09% | 0.17% | 0.25% | 0.34% |
| **AA** | 0.03% | 0.06% | 0.11% | 0.22% | 0.33% |
| **A** | 0.08% | 0.20% | 0.37% | 0.55% | 0.77% |
| **BBB** | 0.19% | 0.55% | 0.97% | 1.46% | 1.97% |

1.1.3 The Council's minimum long term rating criteria (over one year) is "AAA" meaning the average expectation of default for a three year investment in a counterparty with a "AAA" long term rating would be 0.17% of the total investment (e.g. for a £1m investment the average potential loss would be £1,700).

The Council's minimum long term rating criteria (up to one year) is "BBB" and the average expectation of default for such an investment would be 0.19% (e.g. for a £1m investment the average loss would be £1,900).

These are only averages but do act as a benchmark for risk across the investment portfolio.

**The Council's maximum security risk benchmark for the estimated maximum portfolio during 2016/17 is 0.096% which means that for every £1m invested the average potential loss would be £960. This position remains largely unchanged from 2015/16.**

1.1.4 The Council's Treasury advisers maintain a continuous review of the risk position by the inclusion the Council's daily investment position within their online model.

1.2 **Liquidity**

1.2.1 This is defined as "having adequate, though not excessive cash resources, borrowing arrangements, overdrafts or standby facilities to enable the Council at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives" (CIPFA Treasury Management Code of Practice). The Council seeks to maintain:

- Bank overdraft – on a day-to-day basis the Council works to an agreed overdraft limit of £100,000 with the Council's bankers. Whilst a short-term increase could be negotiated less expensive short-term borrowing is accessed through the financial markets to remain within the agreed overdraft.
- Liquid, short term deposits of at least £3m available with a week's notice.

1.2.2 The availability of liquidity and the inherent risks arising from the investment periods within the portfolio is monitored using the Weighted Average Life (WAL) of the portfolio. This measures the time period over which half the investment portfolio would have matured and become liquid

A shorter WAL generally represents less risk and in this respect the benchmark to be used for 2016/17 is:

- 0.08 years which means that at any point in time half the investment portfolio would be available within 28 days.

**2. <u>Yield</u>**

These benchmarks are currently widely used to assess investment performance and the Council's local measure of yield is:

- Internal returns above the 7 day London Interbank Bid rate (LIBID) which is the rate at which a bank is willing to borrow from other banks

Agenda Item 13

Rotherham Metropolitan Borough Council

Public Report
FULL COUNCIL Meeting

**Summary Sheet**

**Council Report – 2nd March, 2016**

**Title:** ROTHERHAM TRANSPORT STRATEGY

**Is this a Key Decision and has it been included on the Forward Plan?** YES

**Strategic Director Approving Submission of the Report:**
Caroline Bruce, Interim Strategic Director EDS

**Report Author(s):** Tom Finnegan-Smith, Transportation Highways & Projects Manager
Ext: 22967
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Stephen Brown, Transportation Officer, Streetpride
Ext: 22186
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**Ward(s) Affected:** ALL

**Executive Summary:**
The Rotherham Transport Strategy (2016-2026) provides the policy framework which sets out the proposed approach to the provision and management of transport and transport infrastructure in Rotherham.

**It is recommended that Full Council:**

i) Approve the adoption of the Rotherham Transport Strategy 2016-2026.

**List of Appendices Included:**
**A)** Final Rotherham Transport Strategy (2016-2026) (link) - a full detailed copy will also be available for inspection at the Town Hall
**B)** Summary of the Strategy
**C)** Table of consultation comments received

**Background Papers:** The Sheffield City Region Transport Strategy (2011-26)
Rotherham Local Plan Core Strategy

**Consideration by any other Council Committee, Scrutiny or Advisory Panel:** YES

**Council Approval Required:** YES

**Exempt from the Press and Public:** NO

**Title: ROTHERHAM TRANSPORT STRATEGY 2015-2026**

## 1. Recommendations

It is recommended that Full Council:

i) Approve the adoption of the Rotherham Transport Strategy 2016-2026.

## 2. Background

2.1 The policies in the strategy contribute to all four of the Council's Corporate Plan priorities. Helping local people into work will be achieved by the provision of sustainable transport links and alternative modes of travel to the private car. Vulnerable people will be helped by the provision of infrastructure (such as tactile paving) and the provision of services that meet their needs. Road maintenance and road safety are central themes of the strategy. The promotion of active travel will help to reduce inequalities and improve health.

2.2 The Transport Strategy aligns with the themes and ambitions of the Rotherham Growth Plan and the policies and aims of the Local Plan. Transport and accessibility is the glue that binds the Borough together. As the Borough grows it is essential to connect people with jobs, services, friends and families but the demand for travel needs to be balanced with a need to manage traffic congestion and provide attractive, safe, affordable and sustainable travel options to reduce the negative effects of vehicle use and emissions. The Transport Strategy can be found at the following (link).

## 3. Key Issues

3.1 Whilst the Rotherham Transport Strategy (RTS) for the period 2016-2026 is being introduced during a time of unprecedented change and austerity in which transport budgets have been reduced, it must still address two fundamental challenges:

i) To support economic recovery in the Borough and;
ii) To adapt to and reduce the transport systems impact on safety, health and climate change to help safeguard its benefits for future generations.

3.2 The Strategy explains how we will build on our strong transport policy direction set out internationally, nationally and locally in the Sheffield City Region (SCR) Transport Strategy (2011-2026). It features our proposals to continue to improve the safety and condition of our road network in Rotherham and to support sustainable and affordable transport modes through continuing to improve public transport and enabling people to walk and cycle more. The strategy (summarised in **Appendix B**) lays out a series of challenges with objectives, themes and actions and eventual outcomes that will contribute to the overall vision that by 2026 Rotherham will:

- Enjoy sustainable growth – new development will be based on compact mixed use centres focussed on high-quality public transport.
- Be a connected place – people and places are connected by an integrated, safe and efficient transport network.
- Make sustainable travel choices – walking, cycling and public transport are a normal part of daily travel

3.3 Fairness, safety and sustainability will be embedded in the transport projects we deliver. The purpose of investing in transport and the economy is not just about benefiting one group at the expense of another but to create the personal, social and cultural well-being of all.

3.4 The Strategy recognises that fuel and other costs are now rising faster than incomes and for some people car travel is simply becoming too expensive. It also addresses concerns about the rising levels of ill-health associated with sedentary lifestyles and obesity, as well as the health effects of poor air quality.

3.5 Active transport is proven to help reduce this growing problem. The strategy therefore seeks to promote alternatives to car travel that will sit alongside traditional road schemes and local projects to ensure everyone has the potential to benefit from economic recovery and future growth in a healthy, sustainable manner. Work will also continue with local communities to deliver small scale improvements in local streets and areas to improve peoples' safety and well-being.

3.6 The Council will strive to continue to be a leader in local transport delivery and is committed to delivering a transport system that meets our challenges, works for all of our travelling public and businesses, helps to support growth and is environmentally fit for the future.

3.7 A performance monitoring chapter has been added to the strategy to demonstrate how progress will be measured.

3.8 The draft Rotherham Transport Strategy is being adopted at a time of significant pan-Northern and Government collaboration on strategic transport and highways infrastructure, developed through Transport for the North. This work is ongoing and will concentrate on key rail and road inter-city (region) connectivity, such as the integration of High Speed Two with Northern Powerhouse Rail, but also consider issues such as local strategic connectivity improvements within city regions. It is not proposed that the adoption of the Transport Strategy should be delayed until this work is complete, as there is still significant work to be undertaken, but that the principles and key schemes contained within the strategy will influence Rotherham's position on the emerging options and recommendations of Transport for the North.

## 4. Options considered and recommended proposal

4.1 The Transport Strategy provides the policy framework against which local decisions will be made, particularly in respect of options for investment in our local highway and transport network. However, whilst transport projects are acknowledged by the Government as providing a key role in supporting economic growth, there is clearly uncertainty in the amount of funding that will available in the future, not just locally but nationally. Deliverability of the proposed schemes and actions that will ultimately deliver the outcomes of the strategy will be at risk if funding is not forthcoming.

## 5. Consultation

Consultation undertaken to date:

- Internal consultation with services that are most likely to be influenced or affected by the proposed strategy, including a seminar held with relevant M3 managers.
- Briefings with Commissioner Kenny and Cllr Lelliott in July 2015 with comments and feedback included.

- Presentation to the Transport Liaison Group of the Council on 23rd September
- Presentation to the Improving Places Select Commission on the 14th October 2015.
- A 4 week public consultation planned which finished on 10th December 2015.
- Transport Strategy endorsed by Advisory Cabinet on 15th February 2016.

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Overall responses to the consultation were positive and complimentary about the strategy, most comments from stakeholders were requests for minor amendments relating to terminology or financial arrangements, where appropriate these have been included. Some comments were felt to be more appropriate for other organisations to consider and these will be forwarded to the relevant body. A copy of the comments received is attached at **Appendix C**.

## 6. Timetable and Accountability for Implementing this Decision

6.1 Following adoption of the Strategy the implementation of the majority of the policies within it will fall within the responsibility of the Regeneration and Environment Directorate. An annual monitoring report will be prepared to determine the progress in delivering the objectives of the strategy.

## 7. Financial and Procurement Implications

7.1 Whilst the delivery of the ambition and outcomes of the transport strategy is multi-faceted and involves many services across the Council it is significantly affected by the level of funding it has available to deliver transportation and highway projects. Government announcements in early 2015 indicated that the core Local Transport Plan funding (capital grants) for both Integrated Transport (IT) and Maintenance that RMBC receives would continue over a period of 6 years. However as of March 2015 the level of LTP funding for integrated transport has been much reduced.

7.2 We have already seen a reduction in LTP IT grant is as a direct result of Government cuts in 2011 and at the start of 2014/15 as a result of the Government transferring existing funds into the Local Growth Fund, a competitive fund aligned to the City Deal process and submission of Strategic Economic Plans. Increasingly Government are reducing the grants available to Highway Authorities and making funding available on a competitive basis. Rotherham has been successful in submitting bids to and receiving funds from many of these opportunities, both on its own and with South Yorkshire and other partners, such as the LSTF and Pinch Point funds. Similarly we have also successfully secured European Regional Growth Funding towards schemes. However, the resources available to prepare and develop successful bids are constrained by the revenue pressures the Council and Transportation and Highway Projects continues to face.

7.3. As a result of the recently announced agreement on devolution, Sheffield City Region (SCR) will work with Government to define a Devolution Deal that enables the SCR to wield greater influence over the future shape of transport investments in the area. Transport plays a vital role in catalysing and supporting economic growth. This will extend Sheffield City Region's influence over local buses, railways, trams and greater collaboration on managing a network of key roads. The indications are that a single pot of £30m per year for 30 years, will be available to support economic growth in the SCR, which includes future transport and highways infrastructure. In addition, a single consolidated Transport Fund will be created, although the funds to be consolidated into this are still to be defined. Further detailed work will be undertaken by local partners in advance of

the deal being formally approved by the constituent members of the SCR Combined Authority.

7.4 The Sheffield City Region (SCR) Growth Plan, which was submitted to Government in March 2014 sets out our plans to transform the local economy over the next decade. At the heart of the plan is the creation of 70,000 new private sector jobs and 6,000 new businesses. In December 2014 the SCR secured a £320 million Growth Deal from Government.The funding will go towards supporting over £600 million worth of infrastructure projects, including significant improvements transport and highways infrastructure.

**8. Legal Implications**

8.1 The Council's duties as a highway authority and planning authority are incorporated in the strategy. The transportation policies within the Local Plan Core Strategy, which are included within the draft Transport Strategy, were examined and adopted in summer 2014.

**9. Human Resources Implications**

9.1 The proposed strategy has no direct HR implications.

**10. Implications for Children and Young People and Vulnerable Adults**

10.1 The strategy recognises that children, young people and vulnerable adults are often dependent on public transport, cycling and walking. Work will continue with schools to maintain pedestrian and cycle training. We will continue to update our review of road safety which audits all schools in the borough and continue to deliver schemes such as the school 20mph trial. In addition we will work with public transport operators and South Yorkshire Passenger Transport Executive to provide low cost tickets for use on buses in the area, particularly through the Rotherham Voluntary Bus Partnership. Through devolution in SCR we will work collaboratively to deliver the benefits of smart ticketing and consider fully our potential to operate a franchised bus network.

**11 Equalities and Human Rights Implications**

11.1 The strategy recognises that Rotherham has inequalities in access to mobility which limits opportunities for some. In order to partly redress this balance, the strategy promotes a network of sustainable travel choices that are low cost and help to facilitate journeys to work, education and leisure. In developing schemes and initiatives to implement the strategy officers will consider opportunities to provide facilities to enhance the accessibility of Rotherham's transport and highway networks for users with specific needs or disabilities.

**12. Implications for Partners and Other Directorates**

12.1 Adoption of this strategy will align action in Rotherham with the Sheffield City Region Transport Strategy without impacting any budgets held by other directorates in the Council. There are considerable synergies with the Council's Air Quality Action Plan as well as close links with Planning and Regeneration and Public Health. Close partnership working exists between South Yorkshire Local Authorities and South Yorkshire Passenger Transport Executive.

**13. Risks and Mitigation**

13.1 There is some uncertainty regarding the amount of Government funding that will available in the future, not just locally but nationally; transport projects are

acknowledged by the Government to support Economic Growth and therefore stand a reasonable chance of being supported. Deliverability of the proposed schemes and actions is at risk if funding is not forthcoming. This is mitigated to a certain extent by the scalability of the proposed actions.

**14. Accountable Officer(s)**

Tom Finnegan-Smith, Transportation Highways & Projects Manager
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Stephen Brown, Transportation Officer, Streetpride
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Approvals Obtained from:-

Strategic Director of Finance and Corporate Services: RORY BATTY

Director of Legal Services: STUART FLETCHER

Head of Procurement (if appropriate):- N/A

# EXECUTIVE SUMMARY

The Purpose of this strategy is to provide an overview of how the challenges faced in planning transport to meet Rotherham's objectives will be overcome. By addressing these challenges in terms of a number of themes, the desired outcomes can be achieved. Project proposals must be in line with the strategic objectives if the desired outcomes are to be realised.

Individual projects need to be measured against the strategy to confirm that they comply with the various tiers of national, regional, and local plans and strategies that have been adopted. This strategy draws together in one place all of the relevant information and provides the background to support decision making regarding transport projects.

The interactive nature of the strategy allows reference to particular sections or themes and for pages to be referenced in other documents.

The realisation of this vision will be achieved by means of a variety of projects linked to the themes set out in Part C. A comprehensive list of projects can be found in Part D, Section 12.

**Vision**

By 2026 Rotherham will:

Enjoy sustainable growth – new development will be based on compact mixed use centres focussed on high-quality public transport.

Be a connected place – people and places are connected by an integrated, safe and efficient transport network.

Make sustainable travel choices – walking, cycling and public transport are a normal part of daily travel

The strategy proposes a vision for transportation in Rotherham


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FOREWORD
Stella Manzie CBE
Managing Director Commissioner

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PART A
Setting the Scene

PART B
Vision and overall strategy

PART C
Themes and objectives

PART D
Funding and implementation

BIBLIOGRAPHY


Rotherham Metropolitan Borough Council

**The objectives are as follows:**

## Integrated transport and land use

To support well designed new development that reduces the need to travel and is accessible to everyone by frequent public transport, walking and cycling.

## Public transport (bus, tram & train)

To improve the public transport network so it provides an alternative to the private car.

## Active transport network

To make the transport network safe and attractive for walking and cycling.

## Travel behaviour change

To reduce car dependency & increase levels of walking, cycling, car share and public transport use.

## Roads and Freight

To develop and manage an efficient road network for the movement of people and goods that can be shared by everyone.

## Safer Roads

To make the transport network safe for everyone.

### Challenges

| Economic growth | Car dependency | Physical inactivity | Energy and climate change | Traffic congestion | Less funding |
|---|---|---|---|---|---|

### Objectives

| Integrated transport and land use | Public transport (bus, tram & train) | Active transport network | Travel behaviour change | Roads and Freight | Safer Roads |
|---|---|---|---|---|---|
| To support well designed new development that reduces the need to travel and is accessible to everyone by frequent public transport, walking and cycling. | To improve the public transport network so it provides an alternative to the private car. | To make the transport network safe and attractive for walking and cycling. | To reduce car dependency & increase levels of walking, cycling, car share and public transport use. | To develop and manage an efficient road network for the movement of people and goods that can be shared by everyone. | To make the transport network safe for everyone. |

### Themes and Actions

| | | | | | |
|---|---|---|---|---|---|
| 1. To focus new development along key public transport corridors and in places adjacent to existing shops and services<br><br>2. To develop high quality accessible public places (centres) | 3. To improve rail services and access to stations and to ensure SCR is served by high speed rail<br><br>4. To improve connectivity between major settlements<br><br>5. To develop public transport that connects people to jobs and training<br><br>6. To develop user friendly and accessible public transport with high quality integration between modes<br><br>7. To improve safety on public transport<br><br>8. To work with operators to keep fares affordable | 9. To develop high quality, connected cycling and walking networks:<br><br>9a. Connecting and completing the existing active transport network<br><br>9b. Connecting with public transport<br><br>9c. Connecting colleges and schools<br><br>9d. Connecting our urban centres | 10. To encourage active travel especially to:<br><br>10a. Address local obesity and inactivity problems<br><br>10b. Encourage schools to adopt active travel projects<br><br>10c. Create a lasting legacy from LSTF projects<br><br>11. To provide information and travel advice for the users of all modes of transport | 12. To improve surface access to international gateways<br><br>13. To reduce the amount of productive time lost on the strategic and local road network and to improve its resilience and reliability<br><br>14. To ensure networks are well maintained<br><br>15. To promote efficient and sustainable means of freight distribution<br><br>16. To work to improve the efficiency of vehicles and reduce carbon emissions and to improve air quality, especially in designated areas<br><br>17. To apply parking policies to promote efficient car use, while remaining sensitive to the vulnerability of local economies | 18. To encourage safe road use and reduce casualties on our roads<br><br>19. To focus safety efforts on vulnerable groups<br><br>20. To work with the Police to enforce traffic laws |

### Outcomes

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| To support economic growth and develop a resilient transport system. | Reduce emissions and protect our natural environment. | To maximise safety on a more 'active' transport network. | To enhance social inclusion and health through a more equitable transport system. |

Our overall transport strategy



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FOREWORD
Stella Manzie CBE
Managing Director Commissioner
EXECUTIVE SUMMARY
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PART A
Setting the Scene
PART B
Vision and overall strategy
PART C
Themes and objectives
PART D
Funding and implementation
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| Responder | Issue | Action |
|---|---|---|
| highways england | As of April 2015, Highways England took over the powers of the Highways Agency. We suggest that the references to the Highways Agency in the Transport Strategy are amended to reflect this change. | Change text accordingly |
| highways england | The Transport Strategy identifies a number of improvements on the local road network. We are currently undertaking a series of infrastructure studies across the region in order to understand the impact of development on the SRN and identify areas of the network where development will have a severe impact. There are two studies within South Yorkshire relevant to Rotherham, one covering sections of the M1 and one covering sections of the M18. It is likely that these studies will identify improvements to the SRN which are necessary to facilitate development within Rotherham. We request that any appropriate improvements identified through the infrastructure studies should be included within the Transport Strategy and other relevant Local Plan documents. We will seek to work with you and the other authorities in the Sheffield City Region to determine what mitigation is required and how it will be delivered. | Add information as addenda to finished strategy |
| highways england | *Principal settlement transport plans*<br>We welcome the development of these transport plans as they support the objective of integrated transport and land use planning. It is hoped that these plans will provide a coordinated approach to delivering sustainable travel options and funding for mitigation schemes where required. We would seek to work with you on the production of these plans; particularly for development areas which we predict will have a significant impact on the strategic road network. We would also like to work with you to identify any mitigation measures required and to identify funding sources for these improvements. | Involve stakeholders including HE in the production of the plans |
| highways england | We suggest that the term 'motorways' is amended to 'strategic road network' to be consistent with our terminology and the terminology used in the Rotherham Sites and Policies document. | Whilst wishing to avoid confusion the term Motorways was preferred to enable wider public understanding. Where the term is first used in the text a footnote will be added to refer to the SRN |
| highways england | We support your approach of placing greater emphasis on shifting travel demand from car to bus, train, tram, bike or walking as opposed to building new roads and increasing road capacity. This is in line with DfT Circular 02/2013 which in relation to capacity enhancement states 'Only after travel plan and demand management measures have been fully explored and applied will capacity enhancement measures be considered.' | **Positive comment in support**, no action required |
| highways england | We would like further information on the status and timescales of the road improvement schemes contained in the 'schemes identified through Local Plan examination and potentially funded by CIL' section. We are particularly interested in the Cumwell Lane/A631 Bawtry Road and A630 West Bawtry Road/A630 Rotherway junction schemes because of their proximity to the strategic road network. | Due to the uncertain nature of CIL funding and the list of projects any further detail will be included as an addendum. |

| Responder | Issue | Action |
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| highways england | *Integrated Transport and Land Use*<br>The proposed target for this objective is vague and it is not clear how it will be monitored. Targets should ideally be SMART (Specific, Measurable, Achievable, Relevant and Time bound). With regards to the specificity of the targets we recommend that the target incorporates further detail such as what would be considered a substantial development and what would be considered sustainable travel. With regards to measurability we recommend that detail is provided on which aspects of sustainable travel will be monitored. In addition, a mechanism for identifying achievable mode shift targets for new developments would be useful. | We acknowledge that the targets are somewhat vague for this. The large number of developments and their diversity means that sustainable transport solutions may vary considerably, both between developments and from year to year due to the mix of developments that come forward. Data is currently collected on the number of travel plans implemented annually and also the percentage of Rotherham's workforce covered by a travel plan. In addition SYPTE has data on the number of Travelmaster tickets that are issued to residential developments. It is felt that due to the annual variation in new build developments, target setting would not be a valuable exercise. The measures of sustainable travel are made using the annual cordon counts as a general proxy for the whole of Rotherham. Substantial developments are considered to be those that trigger a requirement for a transport assessment/statement and a travel plan. This detail is found in the Local Plan Sites and Policies Good practice guidance and is too lengthy to be incorporated in the Strategy document. |
| highways england | We support the use of sustainable transport or travel plan conditions. However for monitoring purposes it may be more useful to look at the number of developer travel plans approved by the Council. | This data is collected annually and recorded as a cumulative total. It has some inherent problems as the number of individuals covered by a plan may vary between 50 and 5000 employees. We are currently working on a statistical presentation that will take these factors into account. This will be incorporated in the monitoring data and targets in the future. |
| highways england | We support a robust approach to monitoring congestion and delay along main roads which interact with the strategic road network. A robust monitoring approach to congestion and delay will allow for the early detection and remediation of issues. Congestion and delay monitoring may form an important aspect of monitoring the impact of new developments. Monitoring is an important element in identifying 'trigger points' for additional mitigation measures where required. | **Positive comment in support**, no action required. Monitoring will be reported annually. |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | SYPTE agree with the immediate priorities of job creation and improving transport affordability. | **Positive comment in support**, no action required |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | The document refers to the planning context and the importance of the Sheffield City Region (SCR). The SCR Strategic Economic Plan is not mentioned in detail and it could be argued that any transport strategy should align with this plan to take full advantage of any devolution funding going forward. | As the Transport Strategy aligns with the SCR Transport Strategy there was not felt to be any necessity in reiterating the SCR economic plan. |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | It is also noted that no reference is made to linkages to the specific developments in the Advanced Manufacturing Innovation District (AMID), which is partially in Rotherham and plays a key role in the growth of the city region. | At the present time there are not even any outline proposals for transport infrastructure relating to AMID. As and when proposals come forward the Strategy will be updated to reflect the changes. |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | SYPTE agree that the road network in the area is close to capacity and that alternatives to the car need to be provided and promoted. | **Positive comment in support**, no action required |

| Responder | Issue | Action |
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| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | The ticket prices are lower than those quoted. The Travelmaster is now £1,050, the FirstRotherham monthly is £52 and the Student ticket for 16-18 year olds, which allows travel on any mode within South Yorkshire is only £14.20. As quoted in the strategy the Rotherham Bus Partnership has allowed for lower priced and more flexible ticketing options. | Correct text or delete prices, the inaccuracy reflects the changes that have taken place during the development of the strategy. |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | SYPTE welcome the focus on high quality public transport and the promotion of the range of sustainable transport options. | **Positive comment in support**, no action required |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Several of the key challenges and objectives rely heavily on the provision of an efficient public transport system and align directly with the key objectives of the SYPTE. It should also be noted that they would be carried out with co-operation from SYPTE. | SYPTE is mentioned as a partner in all public transport related aspects of the strategy. |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | The themes and actions are all interrelated to a certain extent but what is unclear is each of these directly effects the outcomes. | Figure 10 in the Strategy shows the high level outcomes to which the themes and actions will contribute. Since other factors [unrelated to transportation measures] will also contribute to these outcomes it is felt that the monitoring provides sufficient indication of the effects of implemented measures. |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | SYPTE welcomes the changing of focus from cars to more sustainable modes and the acknowledgement that previously this has led to preferences for developments based on car access. | **Positive comment in support**, no action required |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | As stated the preference should be given to development that is accessible to everyone by frequent public transport, walking and cycling. | **Positive comment in support**, no action required |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | The strategy correctly notes the importance in using the planning process to fully promote sustainable travel through Transport Assessments and Travel Plans as well as the need to use the Community Infrastructure Levy to fund highways and transportation projects which enable new developments | **Positive comment in support,** no action required |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Themes 1 and 2 actions – SYPTE would question if the principal settlement action plans been developed? | The principal settlement action plans will be developed over the early period of the strategy. |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | SYPTE welcomes the objective of improving public transport so it provides alternatives to the private car. | **Positive comment in support**, no action required |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | It is noted and agreed that rail is the weakest of the modes in the area, especially when considering commuting to places such as Sheffield. No mention is made of the possibility of the new mainline station at Parkgate. The strategy also highlights the relatively good bus network. | Whilst not specifically mentioning Parkgate, the strategy does indicate the desirability of a new mainline station |

| Responder | Issue | Action |
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| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Page 31 - Parkgate is no longer owned by British Land. | To be corrected in text |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Inadequate public transport network – The development of Aldwarke Lane Link Road, Parkgate will add significant improvements to the journey times especially southbound. This route would also allow for a further park and ride sight to service the Tram Train. | The Aldwarke Link road is in the early stages of planning and is not yet a committed scheme however a note will be added at an appropriate point in the text |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Theme 3: To improve rail services and access to stations and to ensure SCR is served by high speed rail – A new station is mentioned but its location is not specified. | The location of a new mainline station is by no means decided and probably requires a formal business case to be prepared, prior to any announcements. |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Theme 4: To improve connectivity between major settlements – SYPTE welcome the promotion of both the BRT and Tram Train schemes and notes that the strategy acknowledges their significance in improving the links between Rotherham and Sheffield and the wider city region. | **Positive comment in support**, no action required |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | To develop public transport the connect people to jobs and training – As stated SYPTE will seek developers to fund public transport improvements and/ or promotion. | **Positive comment in support**, no action required |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Theme 6: Developing user friendly and accessible public transport with high quality integration between modes (including walking and cycling) – Again SYPTE welcomes this theme and the point that just providing public transport services is not enough. These services must be useable and accessible. | **Positive comment in support**, no action required |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Theme 7 and 8: To improve safety on public transport and to work with operators to keep fares affordable. – The Rotherham Bus Partnership is key to this and has already had a number of successes in reducing ticket prices as mentioned above. | **Positive comment in support**, no action required |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Are the Integrated Transport Block and the Maintenance Block/ Highway Maintenance Funding components of the LTP grant funding? | Yes |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | As SYPTE understand it the Integrated Transport Block is allocated on a formula relating to congestion, air quality, accessibility etc. The funding is allocated to the Combined Authority by the DfT and used to deliver safe roads etc. | Addressed in revised text |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Page 63 The Pool Green Scheme is now complete. | Addressed in the revised text |

| Responder | Issue | Action |
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| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Page 64 The Comprehensive Spending Review has allowed a much better understanding of how these funds will be allocated. | The CSR post-dated the last version of the Strategy. Where information is available this will be updated in the final version of the text |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | It should be noted that the information in the Tram Train bid is out of date and that the bid for funding was submitted in partnership with SYPTE, SCC and RMBC, not individually. | Text to be corrected |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | It should also be noted that the contribution for LSTF was £5million for the key component bid and £25 million for the main bid. | Text to be emended as appropriate |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | SYPTE question if the funding from the Local Growth Plan Process is predominantly transport based? | Text modified to reflect latest understanding |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Page 65. It is likely that a consolidated devolved transport budget will be allocated to the 'single pot' but no necessarily into a 'transport fund' | Text modified to reflect latest understanding |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | Is it important to note that all the LSTF money benefits South Yorkshire as a whole. | The strategy looks at how funding has affected Rotherham within the context of SY |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | It is considered that much of the text in the document is outputs not outcomes and as such difficult to measure and understand when they have achieved their objectives/outcomes? | Much of the strategy is geared to outputs that are easily measured. Outcomes are often difficult to measure in specific terms and will often require comparison of census/ cordon count data over a long timescale. |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | SYPTE would welcome more measurable quantitative targets. | Targets will be developed over time as it becomes apparent how much funding will be available |
| SOUTH YORKSHIRE PASSENGER TRANSPORT EXECUTIVE | In summary SYPTE welcome this forward thinking strategy based around sustainable transport and acknowledges the opportunities for co-operation it presents. | **Positive comment in support**, no action required |

| Responder | Issue | Action |
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| Sheffield City Region | Fundamentally, the proposed Strategy sets out a positive approach to transport connectivity, sustainability, efficiency and safety and this is supported by SCR. We recognise that the document pulls together previously separate information and articulating what this means at the local level. | **Positive comment in support**, no action required |
| Sheffield City Region | Although the overarching SCR Transport Strategy is referenced within the document, strategic alignment is not as apparent as it should be. The Rotherham Transport Strategy should set the SCR Transport Strategy and associated policies out as the primary regional transport strategy, with clear reference to its role and demonstration of clear policy linkages throughout the document. Ideally, the Strategy should be structured around how the policies of the SCR Transport Strategy will be delivered at the local level. | The alignment of the Rotherham strategy to the SCR strategy is implicit in the document and the latter informs Rotherham's Strategy throughout. Constant cross referencing of policy linkages was felt likely to detract from the readability of the document and diminish its local emphasis, which seeks to address Rotherham's own priorities that are somewhat diluted by the SCR strategy. |
| Sheffield City Region | It should be noted that the SCR Transport Strategy is subject to a refresh and that this will be undertaken in early 2016. | Noted, reference to be made in text |
| Sheffield City Region | The Rotherham Transport Strategy should also better reflect the Strategic Economic Plan objectives and the overall approach to future transport infrastructure through the SCR Integrated Infrastructure Plan (SCR IIP). The SCR IIP is not currently mentioned within the document. | Reference to be made to SCR IIP in the text. |
| Sheffield City Region | Good to see reference to devolution. The content does not reflect the outcome of the latest devolution deal and should be updated to reflect how devolution could facilitate the delivery of the plan. | As the Devolution deal has not yet been ratified it may be premature to add too much detail. Future updates may be the most appropriate means of reflecting the progress of the deal. |
| Sheffield City Region | References to funding and delivery need to be set within the context of devolution and the SCR assurance framework. It is felt that this does not currently come through clearly enough within the document. | At present this is by no means settled and should probably be dealt with by means of an update. |
| Sheffield City Region | The Rotherham Strategy does emphasise the importance of the Local Authority in ensuring that policies are actively delivered on the ground. For example integrating transport and land use (i.e. Policy I of the SCR Transport Strategy) forms a key Rotherham priority. This will be driven by the Local Plan process and the Local Authority Development Management approach. | **Positive comment in support**, no action required |
| **S Hewitson (private individual)** | Recent discussions of transport strategies such as "Health on the Move", the Sustran's report on "Transport Poverty" and ongoing campaigns by groups like the Leonard Cheshire Trust have highlighted the impact transport policies and strategies can have on older people, people with disabilities and other groups on low income. Transport Poverty is more extensive than "Fuel Poverty" and the | Health and transport poverty are reflected in all aspects of the Strategy |

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| | consequent experience of loneliness and isolation, particularly for older people, impacts on the health and well-being of an increasing number of people and it is important any long term transport strategy reflects these issues and offers some vision of how they may be addressed during the 10 year period covered by this strategy document | |
| **Responder** | **Issue** | **Action** |
| **S Hewitson (private individual)** | Local Community Transport makes a much more significant contribution than is identified in the strategy document particularly in supporting people with health and social care needs as well as disadvantaged families and children with disabilities. The strategy could be strengthened by including a commitment to building stronger partnerships with the local voluntary and community sector. The implications of the introduction of personalised budgets for health, social care and education also need to be addressed | Whilst the strategy acknowledges the role of community transport in supporting some groups, its operation is not solely controlled by RMBC. |
| **Kathleen McDermott (private individual)** | Regarding public transport for Woodsetts. For 80+ years there was a bus to Sheffield which originally ran via the A57 and later came through our village but several years ago this was discontinued and we have to get the 19a to Dinnington and transfer to the X5 to Sheffield resulting in a much longer journey time. The 19A service is provided by Stagecoach Worksop and the times doi not fit with the times of the bus to Sheffield. Returning from Sheffield the X5 arrives at Dinnington Interchange at 10 and 50 mins past the hour but the 19A to Woodsetts is scheduled to leave at 48 mins past the hour. Going to Sheffield the 19A arrives at Dinnington Interchange on the hour whereas the X5 to Sheffield leaves the interchange at 38 and 58 mins. Also the 19A and the 19 (to Worksop but via the A57) alternate so the bus through Woodsetts can be badly affected if there is a problem on the A57. Could some improvements to our bus service be made in the forthcoming strategy.<br>Also, in view of the inevitable population increase in Dinnington and Anston it would be an improvement if the faster bus to Sheffield (the old X4) were reintroduced. This would encourage more people to use public transport rather than cars. | Although the issues are of concern the mechanics of running bus services are in the remit of the Rotherham Bus Partnership. At a strategic level it is important that people's transport requirements are looked at in more general terms. It is clear that links from settlements remain an issue and will be referred to the RBP.. |
| **Todwick Parish Council** | Thank you for giving us the opportunity to comment on the draft strategy. It's clear that a lot of thought and work has gone into producing it. We welcome and would endorse much of the content.<br>The strategy refers to the Rotherham Improvement Plan (2015) and the desired outcomes. We too, fully support the outcome that Rotherham should be a child-centred borough and held this particular objective in mind in when considering the strategy. | **Positive comment in support,** no action required |
| **Todwick Parish Council** | The vast majority of schools throughout the borough experience issues relating to transport – most often parking around the school at drop off and pick up times, difficulty crossing the roads around the school and speeding vehicles close to the school. We would like to see a commitment from RMBC that all schools across the borough are to be considered for a 20 mph speed restriction and the start and end of the school day. A commitment should also be made to re-assess the need for school crossing patrols and a pro-active recruitment drive made a priority. | Pilot trials are in progress of school 20mph limits and parking / school crossing patrols are the subject of continuing attention. |

| Responder | Issue | Action |
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| **Todwick Parish Council** | All the objectives related to public transport are fully endorsed. However, we feel in Todwick that the village has been excluded from any of the objectives as changes made over recent years have had the opposite effect. The loss of the bus service linking Todwick directly with Dinnington, Kiveton Park and Crystal Peaks has had a significant adverse impact on people, their well-being, and has also lead to the increase in private car use. The bus service to and from Sheffield was said to have been 'strengthened' however it's unclear in what way, given the service is no longer as quick or efficient as it was previously.<br>As your own information indicates, a significant percentage of people in this area identify more closely with Sheffield than Rotherham and commute daily for work. The lack of an effective bus service has meant people have had to resort to using their car when they would, in the past, have used the bus. | Needs to be referred to the bus partnership to deal with the detail of people's desired travel direction within the obvious funding constraints that exist. |
| **Todwick Parish Council** | Kiveton Park train station is identified as a 'park and ride' area but the very limited number of parking spaces prohibits people using this as a viable alternative. As the buses do not effectively link Todwick and Sheffield for people who work (many can get to work but not home again) they would as a second option use the park and ride if there were sufficient parking spaces. We suggest serious consideration is given to increasing the parking capacity around the train station. | The issue of park and ride is touched upon in the strategy, however the expansion of P&R is likely to be driven by the PTE. Current levels of crowding on trains on the Lincoln Line would probably not support additional peak hour passengers. Additional park and ride locations should perhaps be considered for the Strategy. We will suggest that this is reviewed by SYPTE |
| **Todwick Parish Council** | Traffic congestion to and from Sheffield, Rotherham, Crystal Peaks and Dinnington is steadily getting worse but how bad must the public transport system be for people to prefer to sit in their cars in a traffic jams? A serious re-think must be made about how public transport can be made more user friendly if there is to be any reverse of the decline in patronage. Smaller, more economical vehicles would be more appropriate in outlying areas. It may also be worthwhile considering reducing the number of 'bus stops' in some rural areas and having 'request stops' instead. This may be of particular benefit for older and less mobile people who could access/exit a bus anywhere along a given route. | Hail and ride services are possible, however the economics of some rural services are not conducive to operation of a regular service. Part of the issue can be resolved by community transport and use of new taxi regulations allowing shared journeys. |
| **MAG-UK (Voluntary Organisation)** | The overall strategy seems positive, if somewhat familiar for those who were involved in the consultation process for the SCR as a whole. Unfortunately, it has the same limitations that the city region plan was missing, in that it completely ignores the possibilities offered by powered two-wheeled transport options (motorcycles and scooters). | Where issues specific to PTWs are evident these are dealt with in the strategy |
| **MAG-UK (Voluntary Organisation)** | I'm glad to see the Wheels 2 Work scheme which was pioneered here receiving a mention. I'd like to see assistance available to allow some of the people who've taken advantage of this scheme to take the next step towards a low-carbon, low fuel consumption future on two wheels. | There would be no strategic objection to that, other than the availability of funding |
| **MAG-UK (Voluntary Organisation)** | Hopefully, the themes mentioned in this section can find a budget. It can't have escaped anyone's attention that parts of the road network in Rotherham is in need of significant improvement. Theme 19 is one of particular interest, as it provides an opening for the two-wheeled option to step in until the more expensive road engineering options can be scheduled. | Unclear what this would mean in practice |
| **MAG-UK (Voluntary Organisation)** | Good to see motorcycling getting a mention finally, although it's the same old negative story about working on road safety. Interestingly, the BikeSafe motorcycling scheme, which enables riders to get professional advice from police riders, was pioneered in South Yorkshire. Unfortunately, it would appear to be suffering from the budget cuts affecting a lot of services operated by | Unfortunately it is necessary to aim programmes at PTW riders as they are a disproportionately high percentage of total KSIs of which in recent years they form 20% of the total, even though PTW trips are ony about 1% of the total. |

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| | police and local government. | |
| **Responder** | **Issue** | **Action** |
| **MAG-UK (Voluntary Organisation)** | Implementing the strategy: It looks like stakeholders have been chosen and assigned tasks within their core competencies. | **Positive comment in support**, no action required |
| **MAG-UK (Voluntary Organisation)** | Funding: I suspect this will be the biggest struggle for the council and other stakeholders. | **Positive comment in support**, no action required |
| **MAG-UK (Voluntary Organisation)** | Breaking the elements into themes looks like a good idea, as setting measurable goals for them becomes a lot easier. | **Positive comment in support**, no action required |
| **MAG-UK (Voluntary Organisation)** | As I've mentioned earlier, I'm disappointed in the strategy as a whole missing out a transport option which could offer an alternative at lower cost and help the stakeholders achieve their green goals. | The fuel consumption of some of the larger bikes is worse than small cars and therefore not very "green". The economics of PTWs are by no means clear cut. |
| MAKING SOUTH YORKSHIRE ROADS SAFER | From a Safer Roads perspective we would support the strategy, it looks as if much of this, including the targets, is taken from the broader South Yorkshire Safer Roads strategy. As part of the review of the Safer Roads Partnership strategy which we are currently embarking on, we shall be looking to assess whether these indicators are still valid, whether we need to be more ambitious (especially around the target for reducing slight casualties) and whether second tier indicators related to specific road user groups would be beneficial. | **Positive comment in support**. As and when the new indicators are adopted these will be incorporated into the strategy. |
| MAKING SOUTH YORKSHIRE ROADS SAFER | Your focus on active travel is welcomed and we recognise the work that needs to be undertaken to improve the safety, and perception of safety, for these road users in order to encourage a modal shift away from motorised travel. Pedestrians and cyclists are two of our priority road user groups and we shall continue our range of activities to encourage safer walking and cycling. One of my major concerns is whether current roads maintenance strategies will assist the promotion of walking and cycling (and motorcycle riding too). I am concerned that the current state of the roads will be a big deterrent to use of more active and sustainable modes of travel | **Positive comment in support.** The HAMP should address these issues |
| MAKING SOUTH YORKSHIRE ROADS SAFER | P58 – the list of Safer Roads partners should include Highways England now, not Highways Agency. You could also add the University of Sheffield. | Noted, changes made to text |
| MAKING SOUTH YORKSHIRE ROADS SAFER | P60 – in the third paragraph you make reference to the South Yorkshire Road Safety Education Plan. This should be the Safer Roads Education, Training and Publicity Action Plan. | Noted, changes to text made |
| MAKING SOUTH YORKSHIRE ROADS SAFER | P60 – haven't the Police Safer Neighbourhoods Teams become the Local Policing Teams?<br>P60 – does the Crime and Disorder Reduction Partnership still exist? | Noted changes to text made |

Agenda Item 14

Rotherham Metropolitan Borough Council

**Public** Report
Council/or Other Formal Meeting

**Summary Sheet**

**Council Report**

Full Council 2nd March 2016

**Title**

Rotherham's Housing Strategy 2016-19

**Is this a Key Decision and has it been included on the Forward Plan?**

Yes

**Strategic Director Approving Submission of the Report**

Graeme Betts, Interim Strategic Director of Adult Care and Housing

**Report Author(s)**

Jane Davies-Haire, Strategic Housing Manager :
Jane.davies-haire@rotherham.gov.uk / 01709 334970

**Ward(s) Affected**

All

**Executive Summary**

This report presents the new draft Housing Strategy 2016-19. The document has been produced in liaison with various teams across the Council and extensive consultation has taken place with RMBC staff, partners, residents and other stakeholders. It was recommended by Cabinet on 15th February 2016 that the strategy be sent to Council for approval.

**Recommendations**

That Council approve and adopt the Housing Strategy 2016-19.

**List of Appendices Included**

1. Draft Housing Strategy 2016-2019

**Background Papers**

- Previous / current Housing Strategy and Cabinet report December 2012
- Rotherham Strategic Housing Market Assessment 2015

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**

Members' Seminar held on 4th February 2016
To go to Full Council
Cabinet 15th February 2016, agreed to recommend the strategy to Council for approval

**Council Approval Required**

Yes

**Exempt from the Press and Public**

No

**Rotherham's Housing Strategy**

**1. Recommendations**

1.1 That Council approves and adopts the Housing Strategy 2016-19.

**2. Background**

2.1 In 2012 the Strategic Housing Team produced Rotherham's current Housing Strategy, which was formally signed off and published in December 2012 following a thorough consultation process. This introduced a 30 year vision, linked to the 30 year HRA investment plan, but with a focus on the key deliverables over a three year period, 2013-16. The Strategy has now been refreshed and the new draft, which covers the period between January 2016 and December 2018, is attached as appendix 1. The Strategy is based on a sound evidence base and reflects the views of people living and working in Rotherham.

2.2 The draft Housing Strategy provides residents with a clear and accessible document setting out how the Council is responding to the various housing challenges and what it intends to do. It also pulls together in a single document, the key housing aims and objectives from other more detailed plans, including:

- Housing growth plan
- Homelessness prevention strategy
- Older people housing delivery plan
- Private sector empty homes policy and action plan
- Asset management plan

**3. Key Issues**

3.1 The Council has to operate with a much lower level of resources than in previous years due to Government public spending cuts, and the social rent reduction (announced in the July 2015 Budget) further reduces our Housing Revenue Account capacity to deliver housing growth. This will be compounded by the Enforced Sale levy which Government intends to impose on local authorities to pay for housing association Right to Buy discounts. The Council must therefore work in innovative and entrepreneurial ways with partners to deliver on our housing growth ambitions.

3.2 The Government's keen focus on starter homes will support Rotherham's ambitions to help people into affordable home ownership; however this programme will also result in lower levels of new social rented housing stock. A key challenge is to find new ways of delivering affordable rented stock within these constraints.

3.3 Alongside the issues affecting new supply of social housing, the Housing and Planning Bill 2015 is proposing several potential new policies which will contribute to reducing levels of existing social housing:

- The extension of the Right to Buy to housing associations
- Forced sale of high value local authority Council homes / a levy to pay for the housing association discounts.
- The end of 'lifetime' secure tenancies – future tenants must be allocated a fixed term tenancy of between two and five years, which may encourage more tenants to exercise their Right to Buy.
- Likewise more may choose to buy their Council home as a result of the 'Pay to Stay' policy meaning that households earning over £30K will be required to pay higher rents.

**4. Options considered and recommended proposal**

4.1 Consideration was given to simply updating the previous Housing Strategy but the format was no longer relevant and a re-write was the preferred option. It is recommended that this Housing Strategy be finalised and published following approval by Advisory Cabinet and Full Council.

**5. Consultation**

5.1 Over 2000 individuals, Council teams and partner organisations have been consulted in the development of the Strategy and their views have been taken into account in this draft. Members have been engaged in the review and refresh of the Housing Strategy with a Members Seminar held on 4th February 2015.

5.2 The Homes and Communities Agency has also considered and influenced this strategy.

**6. Timetable and Accountability for Implementing this Decision**

6.1 Once approved by Council the document will be published on the Council's website and launched via various existing consultation routes.

**7. Financial and Procurement Implications**

7.1 The financial implications are summarised in the 'resources' section of the draft Housing Strategy. There are no procurement implications specific to this report.

7.2 There will be a cost associated with having the document professionally designed, which will be met from within existing resources.

**8. Legal Implications**

8.1 As implemented by the Deregulation Act 2015, there is no longer a formal, legal requirement to have a Housing Strategy. However the Housing Service feels that it is imperative for a range of transparency, strategic and operational reasons to have a

detailed process of engagement in drawing up our housing plans and to make the outcome from these considerations widely available.

8.2 The implications for Rotherham of the Housing and Planning Bill 2015 are taken into account in the Housing Strategy.

**9. Human Resources Implications**

None

**10. Implications for Children and Young People and Vulnerable Adults**

10.1 The Children and Young Peoples Service have been consulted and had an input into the Housing Strategy. The Strategy has been developed with particular attention to the Council's commitment to becoming a child centred borough. Several of the proposals in this Strategy support this commitment. Under the specialist housing chapter the specific accommodation requirements for young people are set out.

10.2 Children require safe, warm homes to grow up in if they are to learn and fulfil their potential. Housing cuts across each of the themes identified to ensure Rotherham is a child-centred borough, for example:

- We will consult with and engage children and young people on housing issues
- We will work with the Early Help team to support families with children
- Staff and partners will be trained on safeguarding and tackling child sexual exploitation so they can spot the signs and make referrals
- We will increase and improve the accommodation available for children and young people

**11 Equalities and Human Rights Implications**

11.1 The housing needs of various groups including young people and disabled people will be addressed by the provision of specialist housing.

11.2 Consultation process – our survey captured equalities and diversity monitoring information and having cross-referenced this data against the Census data for Rotherham, the sample was broadly representative of Rotherham's diverse communities.

**12. Implications for Partners and Other Directorates**

12.1 The Housing Strategy includes projects that will be delivered in partnership with other Directorates particularly Adult Services and Children and Young People Services. The Housing Strategy will be monitored by the Strategic Housing Forum which includes representation at the director / senior management level from Adult Services, Children and Young Peoples Services, Planning, Economic Development, Public Health and Policy. Other partner and voluntary sector organisations are also included on the Forum.

**13. Risks and Mitigation**

13.1 There is a risk that some elements of the document will become out of date, as national legislation and policy is changing rapidly under the current Government. Where this happens we will include a note on the Council's website explaining any updates.

13.2 There is a risk of not being able to deliver on our housing growth ambitions due to the impact on the Housing Revenue Account of social rent reductions and other recent policy changes. However we will look for innovative ways to work in partnership to deliver new housing which is key to the Borough's overall economic development.

13.3 In addition to monitoring via the quarterly Strategic Housing Forum meetings, reports will be provided on specific projects referenced in the Housing Strategy to the Advisory Cabinet Member for Housing.

**14. Accountable Officer(s)**

Graeme Betts, Interim Strategic Director of Adult Care and Housing.

Dave Richmond, Assistant Director Housing, Asset Management and Neighbourhoods

This report is published on the Council's website or can be found at:-

http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=

# Rotherham's Housing Strategy 2016-19

**APPENDIX 1**

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# Foreword

**By Councillor Emma Wallis, Cabinet Member for Housing**

Decent housing is a fundamental right for everyone. It plays an enormous part in our health and development; and the suitability and affordability of housing can be a major influence on the types of lives we are able to lead. This is why this Strategy is so important. It is why I would encourage you to read it, to use it and to help us change housing in Rotherham for the better.

The Strategy has been written at a time that could herald the most significant changes for housing in a generation. As I write this, the Housing and Planning Bill is progressing through the parliamentary system; the Bill if passed will bring enormous changes to our planning, house building and social housing systems. Amidst the undoubted opportunities elements of the Bill provide, there are also very real challenges ahead, particularly for our social housing system, which will make it increasingly difficult for people on modest incomes to afford suitable rented accommodation.

The people of Rotherham have a resilient spirit, are aspirational and open to change. This Strategy is therefore bold in both imagination and ambition. We are determined to ensure that housing in the Borough continues to improve and meet the needs of local people, despite the challenges we face. This ambition is based on two things; firstly our previous track record of delivering on our promises and secondly recognition that we can and will improve what we do.

But to improve we need your help; Rotherham Council cannot deliver on the ideas and intentions in this Strategy without all our partners also being ambitious for the Borough and committing to playing their part. We are grateful to those partners who have already helped us ensure we have a good quality housing offer, and specifically to those who have contributed to the development of this Strategy.

The Strategy has been developed following extensive research undertaken over a number of years. We have taken on board the views and aspirations of over two thousand different individuals and organisations. We therefore believe the evidence upon which we have based the Strategy is strong, and the arguments advanced and well-reasoned. Some of this evidence is published alongside this Strategy and is available on the same webpage.

By publishing this strategy we want to achieve the following things:

1. We want to be clear that Rotherham Council will do all that it can within its powers to ensure that our residents' right to decent housing becomes a reality.
2. We want to spell out in transparent terms, our immediate priorities for housing, whilst we continue in the direction of achieving the 30 year vision.

3. We want to make sure that the Rotherham Housing service plays a pivotal role in helping the Council to deliver its corporate priorities.
4. We want to demonstrate to you and to Government that as a housing service we will rise to the challenges we face.
5. Lastly we want to appeal to you, whether you are a citizen of Rotherham, a developer, landlord or indeed anyone else with an interest in Rotherham, to be aware of the opportunities within this document and to get involved in helping us make housing in Rotherham something we can all be proud of.

I hope you will find this document clear, concise and easy to read; we have tried to cut the waffle. I hope it is clear what we intend to do, why and how. Developing the Strategy has enabled the Council to think through what is important and what it is possible to achieve.

I am energised by the challenges ahead. I am even more excited about what we have the potential to achieve together.

**Councillor Emma Wallis**
**Cabinet Member for Housing**

# Overview

Since our last Housing Strategy was produced in December 2012, we have achieved a lot in Rotherham and it is worth reflecting on some of our successes:

- Completed a review of Council-owned land to identify sites for new housing and sold nine sites through auction
- Bought 40 new homes to add to our Council stock
- New specialist bungalows built by our housing association partners
- Remodelled underused community centres into new Council housing
- Custom build register established and programme being developed
- 664 non-traditional Council houses have been thermally upgraded
- Significant improvements to the energy efficiency of privately owned / rented properties through various partnership schemes
- New private sector empty property policy and action plan produced
- Selective Licensing implemented in May 2015 in five areas of Rotherham
- Introduction of boroughwide forum for private landlords
- Tenancy Intervention Service established within Key Choices
- 'Moving on Panel' introduced for young people aged 16 to 24

However there is more to do. If we are to meet the requirements for new housing identified in our recent Strategic Housing Market Assessment, we need to be increasing build rates by at least 50%. The **housing growth** chapter sets out how we will do this overall, and is followed by chapters on each of the main tenures:

**Social housing** – which constitutes around a fifth of all homes in Rotherham and for which demand continues to be high. We need to ensure the right quantity, the right quality, and the right opportunities for people to move if their social rented home no longer meets their needs.

**Private rented housing** – the middle ground between social rented housing and home ownership, and the fastest growing tenure in the borough. We need to work with developers and landlords to raise the overall quality and ensure it becomes a positive choice for people, rather than just a compromise. We want to work in partnership to offer new products such as 'rent to buy', and also help to improve access to the sector for older people.

**Home ownership** – still the most prevalent tenure and, as consultation has revealed, what most residents aspire towards. We need to increase the opportunities available, particularly for first time buyers, and improve the way we market and communicate these to people.

**Specialist housing** – this overlaps with social housing and home ownership but needs to be considered in its own right as it is essential that we meet the changing needs of our population, in particular ensuring a wide range of high quality housing options suitable for older people and young people.

The Housing Strategy contributes to the Council's corporate priorities of being a child-centred borough; every adult being secure, responsible and empowered; a strong community in a clean, safe environment; and opportunity, prosperity and planning for the future.

## Vision

Rotherham's 30 year vision for housing was established in December 2012 following extensive consultation with residents.

**By 2043 we want to see:**

- People living in high quality homes, whether in the social rented, private rented or home ownership sector
- Rotherham Council playing its part by being the best housing provider in the country, delivering high quality services and support, and peaceful and well-managed neighbourhoods
- A smaller gap between the most and least disadvantaged neighbourhoods, so that all of Rotherham's people can live in safe, healthy and vibrant communities
- No households living in homes that are poor in terms of energy efficiency

The Housing Strategy is updated every three years and residents and stakeholders were again consulted during 2015. This long-term vision is still relevant, however on the basis of feedback from residents we have added a fifth bullet point to the vision:

- A revitalised town centre with a new urban community.

We can add to this our shorter term ambitions which also reflect our recent consultation.

**By 2019 we want to see:**

- Increasing numbers of homes being built each year towards our target of 900
- Rotherham playing an active part in shaping housing in the Sheffield City Region
- The town centre being revitalised through new residential development
- Rotherham delivering new Starter Homes
- Enough social rented homes available for local people in housing need
- High levels of resident satisfaction
- Nobody trapped in housing that fails to meet their needs
- New high quality homes for private rent being developed
- Improved quality across the private rented sector
- Better, more joined up working between RMBC Housing, Adult Services and Children and Young People Services – and with health services and the voluntary / community sectors – on specialist housing
- Continuing to alleviate fuel poverty for our most vulnerable households

Delivery of the Housing Strategy's vision will contribute significantly towards the Council's overall corporate vision, which is as follows:

***Rotherham is our home, where we come together as a community, where we seek to draw on our proud history to build a future we can all share. We value decency and dignity and seek to build a town where opportunity is extended to everyone, where people can grow, flourish and prosper, and where no one is left behind.***

***To achieve this as a council we must work in a modern, efficient way, to deliver sustainable services in partnership with our local neighbourhoods, looking outwards, yet focused relentlessly on the needs of our residents.***

The Corporate Plan has four main priorities which the Housing Strategy is helping to address:

| **Corporate Plan 2016-18 priority** | **Example of how housing can help** |
|---|---|
| Every child making the best start in life | Children require safe, warm homes to grow up in if they are to learn and fulfil their potential. Housing cuts across each of the themes identified to ensure Rotherham is a child-centred borough, for example:<br>-We will consult with and engage children and young people on housing issues<br>-We will work with the Early Help team to support families with children<br>-Staff and partners will be trained on safeguarding and tackling child sexual exploitation so they can spot the signs and make referrals<br>-We will increase and improve the accommodation available for children and young people |
| Every adult secure, responsible and empowered | Decent housing underpins positive physical and mental health and can help older people to remain in their own homes for longer, potentially reducing costs in health and social care services |
| A strong community in a clean, safe environment | Housing can have a significant impact on one's feeling of wellbeing, and sense of security and community. Strong regulation and enforcement to improve the quality of residential areas |
| Extending opportunity, prosperity and planning for the future | The delivery of our housing growth plan will contribute significantly to the overall economic growth of Rotherham, by providing homes for people who will be attracted to work in Rotherham as well as meeting local need, and creating jobs and training opportunities |

The Housing Strategy vision also links directly to Aim 5 of the Health and Wellbeing Strategy: 'Rotherham has healthy, safe and sustainable communities and places'.

# Key facts about housing in Rotherham

## Rotherham

- Rotherham is a metropolitan borough within South Yorkshire, covering 110 square miles and has a mix of urban areas and villages - about 70% of the borough is rural.
- The town has a proud, rich industrial heritage and over recent years has attracted investment in new areas such as information technology, light engineering and advanced manufacturing.
- Rotherham has a central position within the Sheffield City Region (which consists of nine local authorities) and contains two of the largest residential development sites – Bassingthorpe Farm and Waverley.
- 38% of Rotherham's working population travel outside the borough for work.
- 20% of Rotherham's working population travel to Sheffield.
- 55% of people working in Rotherham live outside of the borough.

## Population

- Rotherham has a steadily increasing population of around 260,100 as at June 2015.
- 21.7% of the population are aged 0-17 years, and 24.6% are aged 60+ years.
- The overall population of Rotherham is projected to increase by 2.5% between 2014 and 2021, and the number aged 85+ is projected to increase by 25% over the same period.
- 92% of the population of Rotherham is classified as White British.

## Socio-economic profile

- Rotherham is ranked 52nd most deprived district in England according to the Index of Multiple Deprivation 2015, within the 16% most deprived. 20% of people live in the top 10% deprived areas in England.
- 68% of Rotherham's working age population are in work, and 12.4% are claiming out-of-work benefits, well above the national rate of 9.1%.
- Rotherham's unemployment rate fell from 11.3% in 2011/12 to 8.5% in 2014/15 but remains above the national average.
- Income levels are below national averages. The average weekly earnings in Rotherham in 2014 were £456.30 per week; below both the regional average of £479 and the national average of £520.80.
- Educational attainment in Rotherham at a secondary level has improved greatly over recent years, but there is much more room for improvement at primary level and participation in further and higher education continues to remain below the national average.

- Rotherham has average crime rates compared to sub-regional averages.
- The health of people in Rotherham is generally poorer than the English average which is influenced by people's lifestyles and a number of other wider factors such as deprivation and industrial legacy.

**Evidence of Rotherham's housing requirements**

In 2015 the Strategic Housing Market Assessment (SHMA) was published. The SHMA provides a comprehensive portrait of housing needs and trends across Rotherham and Sheffield and supports our Local Plan and Core Strategy. A significant part of the SHMA data derives from a household survey, which gained 1,751 responses. Focus groups were also held to examine views on town centre living, and specialist housing, in more detail.

The outcome of the SHMA indicated the overall housing requirement is for 900 (net) new dwellings per year. 10% of which would need to be 1 bed, 40% 2 bed, 50% 3 bed or more in size. Included in the 900 required are 237 (26%) new affordable homes, the rest would be delivered by the private sector. The 237 should consist of 170 dwellings for social rent and 67 intermediate tenures (i.e. shared or low cost ownership). The study indicates a requirement for a higher percentage of smaller 1 and 2 bed properties would be required for social rent properties.

The SHMA also identified a need to provide specialised housing for young care leavers, older people, disabled people and people with mental health issues, all of whose individual requirements may impact on their housing needs.

**Housing facts and figures**

- Rotherham contains approximately 108,300 households.
- 65.5% of properties are owner occupied, 21.5% are social housing and 12% are private rented.
- There are 20,763 council homes in Rotherham.
- There are around 4,700 eligible applicants on the Housing Register.
- The average number of bids for advertised council properties is 46.
- The number of Council homes sold via the Right to Buy has increased dramatically from only 17 in 2011/12 to 140 projected for 2015/6.
- There is low housing demand in some areas and an increasing housing affordability gap between the most and least deprived areas.
- Average housing density is 4 dwellings per hectare.
- In Rotherham the average house price is £138,255 (July 2015), significantly below the national average of £282,000.
- The average weekly rent in the private sector is £103 per week.
- The average weekly rent for social housing is £65 per week.
- In 2013, 9% of Rotherham's households were living in fuel poverty, and figures are highest within the private rented sector.

# Challenges

**Reduced resources**

- Wider public spending cuts mean the Council has to operate with a much lower level of resources than in previous years.
- The July 2015 Budget introduced the social rent reduction of 1% per annum over four years. While some of our tenants will benefit from lower rents, given that over two thirds are in receipt of housing benefit, the main beneficiary will be the Treasury. The Council will actually lose around 4% of rental income per annum (compared to the previous formula rent) over the next four years, and this will necessitate a significant cutback of its Housing Revenue Account investment and growth ambition programmes.
- Whilst not all details have been published by Government to enable an accurate financial forecast of the impact of the various changes either recently made by Government or proposed, it is currently estimated that these changes will result in a loss of approximately £1bn of income to the Housing Revenue Account over the next 30 years.

**Reducing social housing stock (which also reduces income / resources)**

- The Housing and Planning Bill 2015 proposes several potential new policies, including the extension of the Right to Buy to housing associations meaning less social housing stock, and forced sale of high value local authority Council homes / a levy to pay for the housing association discounts.
- Other proposed policies such as fixed term tenancies (instead of the traditional 'lifetime' secure tenancies) and 'Pay to Stay' (whereby households earning over £30K will be required to pay higher rents) are likely to encourage more Right to Buy applications.
- The Government's Affordable Housing Programme is now focused on home ownership and Starter Homes, rather than social rented housing so there will be fewer new homes being built to replace the stock lost through Right to Buy. To put this in context, 51 new affordable homes were delivered during 2014/5 whereas 112 were sold through the Right to Buy.
- These changes could potentially have fundamental impacts on the way we deliver social housing in the future and this will be a key topic for debate over the next three years.

**Welfare Reform**

- The measures introduced by the Welfare Reform Act 2012 continue to be implemented, and the Welfare Reform and Work Bill 2014 further proposes:
  - Reduction of the benefits cap from £26,000 to £23,000.

- People aged 35 and under only able to claim Housing Benefit for private rented housing at the 'shared accommodation' rate.
- Automatic entitlement to the housing element of Universal Credit to 18-21 year olds will be removed, with some exceptions, from April 2017.
- These changes present significant challenges for many of our residents.
- They also make it more difficult for the Council to collet rent and reduce its overall rental income, adding further pressure on Housing Revenue Account business plan.

**Demographic changes**

- Like many areas Rotherham has an ageing population and our current housing offer falls short of what older people aspire towards. We need more high quality homes that are suitable for older people and more choice.
- We also need more accommodation that meets the needs of young people.
- We continue to see demographic changes in some of our more deprived neighbourhoods, some of which arise from transient populations.
- The latest Indices of Multiple Deprivation (IMD2015) show that deprivation in Rotherham has increased slightly over the past five years, with the borough now ranked 52nd most deprived district (53rd in 2010).
- However deprivation in the poorest 10% of the borough has increased significantly, and 20% of Rotherham's residents live within the 10% most deprived areas of England.

## Opportunities

- Devolution of some housing powers to the Sheffield City Region to help deliver Government's housing growth ambitions, and the 'Northern Powerhouse'. Funding will be available to help us deliver growth.
- Government's focus on home ownership aligns with our local priorities and we have ambitions to be a 'vanguard' authority for the Starter Homes programme.
- We need to improve the housing development opportunities available in Rotherham's town centre to support the overall transformation of the town and we have the opportunity to do this through the Starter Homes programme.
- Continuing and increasing pressure on Council resources – collaboration and innovation is more important than ever to enable us to deliver on economic and housing growth ambitions. We already have strong partnerships in place.
- We need more effective integration of housing, health and social care, to help address the resource pressures on the NHS and adult social care arising from the ageing population – and we have already made a great start on this.
- The Local Government Association carried out a review of housing in summer 2015 and found this to be a good service; we have the people and skills in place to deliver against our Housing Strategy.

## Residents' concerns

In producing this Strategy we have taken into account feedback from:

- Consultation carried out during 2012 on the previous Housing Strategy, much of which is still valid
- The results of the wide scale 'where do you want to live' survey carried out in 2012 which generated 3295 responses and provided a statistically representative sample
- The Strategic Housing Market Assessment 2015, part of which was a survey which generated 1751 responses and focus groups specifically looking at the town centre, and specialist housing
- An additional report produced by the University of Sheffield which combined Rotherham's and Sheffield's market assessments
- The 27 Commissioner roadshows of 2015 which led to the 'views from Rotherham' report and includes feedback from residents on housing issues
- Consultation carried out during 2015 on the new Housing Strategy
- Extensive consultation was carried out regarding Selective Licensing and over 1700 responses were received

Consultation was carried out with Rotherham residents, RMBC staff and a wide range of other partners and stakeholders, during autumn 2015. The main consultation methods were:

- Online survey
- Discussions at various groups and forums, and information distributed by email to wide range of groups and contact lists
- Strategic Housing Forum with partners and stakeholders
- Resident focus groups

The key messages arising from consultation can be summarised as follows:

- We need to prioritise housing for first time buyers
- More housing options are needed for older people
- Selective Licensing has had a positive effect in some areas and better regulation is generally needed for private rented housing
- The allocation system needs to be fair for all and while the poorest people must be prioritised, Council housing shouldn't only be for people on benefits
- The town centre needs to be improved particularly in terms of its housing offer
- The Council needs to be tough on antisocial behaviour

## Themes

Looking at the challenges and opportunities facing Rotherham's housing offer, the findings of the Strategic Housing Market Assessment and feedback from our residents and stakeholders, we can summarise the key areas to focus on as follows:

- Increasing the number of homes – **housing growth**
- Ensuring affordable rented / **social housing** is available for those who can't afford or don't want to buy a home
- Improving quality in the **private rented sector**, the fastest growing tenure in Rotherham
- Increasing opportunities for first time buyers and other households seeking **affordable home ownership**
- Ensuring a wide range of **specialist housing** that is suitable for older people and other specific groups

These form the five themes of the Housing Strategy.

A section on each of these follows (after the 'resources' section), which sets out where we want to be and how we will get there, along with key performance measures. A summary action plan is attached as appendix 1.

## Resources

National public spending reductions continue to affect the Council's overall resources and over the next three years, the Council will need to achieve savings of £41m, alongside the need to invest in children's social services, modernise adult social care, and ensure resources are available for other elements of the Council's improvement programme.

The delivery of this Housing Strategy contributes in many ways to the Council's overall financial position for example, for every new home built in Rotherham the Government pays a grant to the Council called the New Homes Bonus (although the Government is consulting on potential amendments to the scheme). Since the scheme started in 2011 the Council has received £13.8m in New Homes Bonus grant. New homes also bring additional Council Tax, jobs and economic activity.

New specialist housing will help to significantly reduce Adult and Children's Social Care expenditure as well as generating wider savings to Health Services. The Strategy will also contribute to wider economic improvements within the borough; helping to ensure we retain young working households and high income / high skill

individuals who choose to live in Rotherham, as there is an excellent residential offer.

As described in the introduction, the reduction of social housing rents will mean a major reduction of the Council's Housing Revenue Account (HRA), and the 30 year HRA Business Plan is being revised accordingly. Challenging decisions must be taken regarding investment priorities. Further new pressures on the HRA include a levy on Councils to pay for housing association Right to Buy discounts (we currently await details on how this will be applied), the increased income collection activity that will be required as a result of the implementation of Universal Credit in Rotherham and loss of stock through the Right to Buy initiative.

The Council has identified over 150 HRA land and property assets that are suitable for residential development and has a programme of releasing these sites to enable more residential development. We will deploy these assets to help deliver key elements of the Strategy, enabling more homes to be built, including specialist provision and affordable housing. Some of these sites will be sold to private individuals and private developers, who will build new homes for sale and or their own occupation. We have recently sold nine sites at auction and agreed the first phase of a major new residential development on Council land in Dalton in partnership with a private developer. The capital income from the sale of HRA land will enable the Council to support future strategic housing development priorities.

It is more important than ever that we find new ways of working with the private sector to lever in additional resources. An example of this is the Council has recently tendered a residential development opportunity to work on seven sites delivering over 200 new homes. We are asking developers to submit proposals to build new homes on a mix of good and challenging sites. The additional resources created on the better sites will be used to build on the more challenging ones, ensuring we don't just build on the best sites.

The £900m given to the Sheffield City Region by Government as part of the Devolution Deal to grow the economy and create 70,000 new jobs will also be used to deliver more new homes. The Council is working with neighbouring local authorities and the Home and Communities Agency to prioritise how these resources are used to help deliver housing growth and fit our local circumstances. Resourcing this Strategy is not just about public funding and utilising our land, it is equally important there is strong and effective partnership working with stakeholders and partners. This will help maximise resources to meet our shared strategic objectives. The Council co-ordinates a Strategic Housing Forum which meets quarterly to stimulate collaborative working and alignment with this Strategy.

# Theme 1: Housing growth

**Housing growth - current position**

The average number of new homes built per annum has been 593 over the past five years, but the Strategic Housing Market Assessment (SHMA) 2015 tells us we need at least 900 new homes per annum including 25% affordable housing.

Rotherham is in a good position to achieve this. We have available land, strong links with other local authorities across the City Region, affordable market values, and an excellent track record of delivery (for example often out-performing other local authorities on delivering social housing). Although we will not be able to increase building rates to 900+ homes per annum overnight, with the right interventions we will see more homes built year on year until we reach our target.

**Housing growth - where we want to be in three years**

We want to be in a position where at least 900 new homes are being built each year, delivering the following outcomes:

- Increased housing choice and supply, including a new town centre residential offer
- Housing that meets the current and future needs of all our communities
- Positive contribution to the local economy
- Opportunities for local training, skills and employment
- Key contribution to the regeneration of Rotherham
- Improved energy efficiency across the housing stock, reducing fuel poverty
- Increased income via New Homes Bonus (subject to revisions to the scheme currently being consulted on by government) and Council Tax to support Council services
- Strong partnerships that maximise new opportunities
- A more diverse local construction industry through innovation and creative solutions
- Town centre revitalised through new residential development
- Playing an active role in delivering the Government's new Starter Homes Programme

**Housing growth - how we will get there**

The vast majority of these homes will be delivered by the private sector but the Council can influence the number, type and location of homes. The Council's role is that of a Housing Delivery Enabler.

**Rotherham Council's strategic enabling role:**

- Set the overall vision and ambition for housing growth in Rotherham
- Use our comprehensive housing intelligence data to ensure new provision meets current and future housing need, including
  - Housing that is suitable for older people
  - One and two bedroom homes to meet the needs of our increasing number of single person households
  - 'Aspirational' housing to reflect the range of new jobs being created in Rotherham
  - Housing to attract and retain young people – as the SHMA has shown this group are more likely to migrate to Sheffield
- Create opportunities by bringing public land forward
- Provide support and information and advice to the private sector to assist them to develop housing
- Work in partnership and embrace new ways of delivering housing including modern manufacturing methods
- Achieve high levels of sustainability and energy efficiency
- Step in where market failure exists
- Work with the Homes and Communities Agency and at the Sheffield City Region level to maximise opportunities to access funding and affordable borrowing capacity
- Work with colleagues and partners to ensure the necessary infrastructure requirements are understood and implemented, including transport and highways, school places, health / pharmaceutical services and community safety
- Actively encourage small local builders as well as larger organisations, to create more diversity and competition within Rotherham's construction industry and maximise the positive impact on the local economy.

**Housing growth - key actions for the Council over the next three years**

a. We will make the best possible use of land for residential development – from small garage in-fill sites through to large-scale new communities at Waverley and Bassingthorpe. Council-owned sites and assets will be released for either custom / self-build, affordable and / or specialist housing, or sale on the open market to generate resources to fund other new build projects.

b. We will explore the possibility of setting up a Housing Company to help accelerate the rate of build and diversify tenure.

c. Improving the town centre is a crucial part of transforming Rotherham, and having the right housing offer can make a big difference. We will develop and launch a prospectus to attract developers into the town centre, and enable residential zones identified in the Town Centre Masterplan to be developed.

**Housing growth – measuring our success**

| Indicator | 2014/15 (actual) | 2015/16 (projection) | 2016/17 (target) | 2017/18 (target) | 2018/19 (target) |
|---|---|---|---|---|---|
| Number of new homes delivered during year | 633 | 665 | 731 | 804 | 885 |
| Number of new homes in the town centre delivered during year | 0 | 0 | tbc | 50 | 100 |
| Number of homes in Waverley during year | 120 | 120 | 120 | 120 | 120 |
| Number of homes in Bassingthorpe during year | 0 | 0 | 0 | 0 | 60 |

# Theme 2: Social housing

**Social housing - current position**

Over one fifth of Rotherham's households live in social housing, i.e. rented from the Council or a housing association, and there are almost 4,800 people on the housing register. Social housing is in high demand (Council properties attracted on average 46 bids per property during 2015), for the following reasons:

- Over 99% of our homes meet the Decent Homes Standard
- Higher energy efficiency ratings than the private rented sector
- Traditionally let on the basis of secure permanent tenancies
- We are a trusted landlord
- Low rents
- Right to Buy opportunity

Residents agree that social housing should be aimed first and foremost at the most vulnerable in Rotherham, and the Allocations Policy ensures these are prioritised. However there is a commonly expressed view that 'hard-working' low and medium income families should also be allowed the opportunity to benefit from social housing, which can function as a springboard to better employment or home ownership opportunities.

In September 2015, the Policy was revised to make a number of Council homes available to households in a new Band 4 (not in housing need but must have been living and / or working in Rotherham for at least three years or with a direct family member who has been living in Rotherham for the last three years). Homes that have not been bid for by households in housing need, fall into this category.

In the past we have delivered well on new social housing in Rotherham, often out-performing other local authorities in the region. The build rate has slowed and the new Affordable Housing Programme will see a dramatic reduction in the numbers of new social rented homes, in favour of low cost home ownership and starter homes. Also, the social rent reduction introduced in the July 2015 budget has necessitated a significant revision of the HRA Business Plan (reducing capital resources available for new homes).

The Council has a good understanding of its customer base and is committed to providing customer centric services. Opportunities to get involved are set out in the Tenant Involvement Strategy and RotherFed delivers a wide range of community engagement initiatives on the Council's behalf.

Key challenges

- Less grant and lower rates to build new affordable rented housing
- A cut in the level of capital investment in existing social housing
- Reduced number of affordable homes delivered on new private housing developments
- More specialist housing required
- Harder to collect rent due to changes to welfare system and reduced income from rent
- More Right to Buy sales
- Fixed term tenancies

Key opportunities

- Strong demand for social housing
- Low rent levels
- Decent quality housing stock
- Borrowing headroom and land availability for new homes
- Good understanding of our customer base and high satisfaction levels

**Social housing - where we want to be in three years**

- To be able to continue to provide social homes for local people in housing need.
- To continue to improve the quality of our social housing through investment, building or acquiring new stock
- High levels of customer satisfaction.
- Offering new forms of tenure to our customers.
- Nobody to be trapped in housing that fails to meet their needs.

**Social housing - how we will get there**

Ensuring we can provide homes for people in housing need

In order to ensure we can continue to provide homes for people in housing need, it is essential that we have clear and fair policies to govern who can / should access social housing, and on what basis.

It is anticipated that as the 2015 Housing and Planning Bill passes into law, all new Council tenancies will become fixed-term secure tenancies. The Council will develop a detailed policy (Strategic Tenancy Policy) and procedures to accompany the new Tenancy Agreement, to ensure this is communicated clearly, and implemented fairly and consistently.

We will continue to improve the data we hold about our current and future tenants, to build a comprehensive profile of our customers that we can use to analyse the impact of our policies and inform future policy changes.

New social housing

The Council will review its affordable housing policy to ensure it works effectively following the proposed changes to national planning policy. The Council will also work in partnership with developers to find innovative ways of enabling new social housing to be built.

It is critical that we ensure the new affordable rented housing stock is of the right type, tenure and location. Both evidence and residents tell us that specialist and supported housing needs to be prioritised and we will work with housing associations and developers to increase the supply of specialist social housing in Rotherham.

As described in the Housing Growth chapter we will explore alternative models for delivering new housing including the potential establishment of a Housing Company, which could be used for new Council-owned affordable housing to offer a higher degree of flexibility around tenure.

The Right to Buy

The Right to Buy provides tenants with a significant discount on the value of their home, and we will continue to deliver excellent home ownership services to help people access this opportunity. However in order to ensure the sustainability of our social housing stock for future generations, and to help prevent people from entering into an arrangement without a full understanding of the financial implications, we will introduce new measures to prevent Right to Buy fraud, including a pilot whereby applicants must attend a face to face interview.

We will review the use of Right to Buy capital receipts and continue where possible to invest these in replacement housing, and we will monitor the stock lost through the Right to Buy. Where this leaves gaps in provision, we will ensure this is reflected in the housing growth programme.

We will work in partnership with housing associations to help shape their locally determined Right to Buy schemes, including providing strategic guidance on stock replacement. Finally, we will improve the advice and marketing we provide for alternative affordable home ownership schemes.

Maintaining high standards across our existing social housing stock

We want to ensure that the housing we provide is of the highest quality. It is essential that as Rotherham's social housing stock shrinks, and our capacity to replace it is reduced, we continue to invest in our stock through delivery of a robust Asset Management Plan. This exists as a separate document, but a summary of our key priorities for asset management follows:

- Implementing a new ICT system to improve data and management information
- Improving the energy efficiency of our stock to help reduce fuel poverty
- Implementing measures to reduce damp and condensation
- Delivering environmental improvements
- Remodelling stock that is unsustainable. For example converting houses into bedsits
- Bringing empty properties back into use as quickly as possible
- We will continue to engage with tenants and residents to ensure our investment programmes reflect their priorities
- This runs alongside our robust neighbourhood and tenancy management processes to ensure estates are safe and peaceful

We have developed a stock investment decision-making protocol to ensure we take a strategic and prudent approach to housing stock that may no longer be suitable for social housing due, for example, to requiring high levels of investment or being located in an area where there is already an over-supply of social housing. We will share this protocol with housing associations and engage in early discussion where housing associations wish to return leased RMBC properties back to the Council.

Opportunities for people to move when they want or need to

We want to support and encourage people to:

- Move out of homes that are not suitable for their needs
- Move 'onwards and upwards' out of the rental market, when their circumstances and intentions allow
- Move closer to employment, education or training opportunities, thereby helping to prevent people from becoming trapped in a cycle of poverty.

Ways in which we will provide this support and encouragement:

- Support through the downsizing policy and service
- Delivery of more housing that is suitable for the needs of older people, and households with a disabled family member

- Advertising and administering the mutual exchange policy
- Marketing affordable home ownership opportunities
- Providing support for families to engage in training and employment via the Early Help Service

While encouraging mobility may appear to be at odds with the concept of building strong, sustainable communities, it is necessary, in order to adapt to changing national policy and a reducing social housing stock, and in some cases to help people into work. We will use our strategic influence to strengthen communities in other ways, for example:

- Ensuring a mix of housing type and tenure in areas through our Housing Growth Plan
- Strong tenancy management, aided by our new Tenancy Agreement
- Liaising with support services such as Early Help to ensure that tenancies are sustained and children and families address anti-social behaviour
- Strengthening community engagement and tenant involvement
- Ongoing delivery of our Prevention of Homelessness Action Plan
- Providing advice and support to tenants facing financial difficulties and fuel poverty

**Social housing – key actions for the Council over the next three years**

a. Develop a clear understanding of the future role of social housing in Rotherham in light of national policy changes

b. Adapt our 30 year HRA Business Plan to reflect reduced income and future capital priorities

c. We will develop a new Strategic Tenancy Policy and procedures to accompany the new Tenancy Agreement

d. We will work in partnership with housing associations to help shape their locally determined Right to Buy schemes, including providing strategic guidance on stock replacement.

e. We will remodel some of our social housing stock to reflect the need for more one bedroom homes and more specialist housing.

**Social housing – measuring our success**

| Indicator | 2014/15 (actual) | 2015/16 (projection) | 2016/17 (target) | 2017/18 (target) | 2018/19 (target) |
|---|---|---|---|---|---|
| Overall social housing stock (Council and housing associations) | 25718 | 25700 | | | |
| Number of new social rented homes built during the year | 49 | 77 | 60 | 40 | 30 |
| Number of homes sold through the Right to Buy | 112 | 140 | 170 | 200 | 230 |
| Number of people on the housing register | 5,371 | n/a | n/a | n/a | n/a |
| Number of homes allocated to people in 'band 4' (not in housing need) on the housing register | 21 | n/a | n/a | n/a | n/a |
| Percentage of Council housing stock that is non-decent | 0.65% | 0.5% | 0.5% | 0.5% | 0.5% |
| Average re-let time for Council properties | 22.41 | 37.45* | 22 days | 21 days | 20 days |
| Percentage of repairs to Council properties carried out right first time | 98.51% | 95.86% | 96% | 97% | 98% |

# Theme 3: Private rented sector

**Private rented sector – current position**

12% of Rotherham' homes are privately rented (the proportion doubled between 2001 and 2011) and this is the fastest growing tenure in the Borough. Various diverse household types live in the private rented sector (PRS) and demand will only increase further as the borough's social housing stock decreases and the cost of buying a home increases. These people are those who:

- Can't access social rented housing
- Are saving or can't afford to buy a home
- Haven't yet settled or who prefer the flexibility of the PRS
- Want to share a home for social or financial reasons

The needs of these tenants are broadly the same – good quality, energy efficient homes at a fair and affordable rent level, well-managed, safe and with a degree of certainty that the property will be available long-term.

The Council is improving the overall quality of the sector through Selective Licensing. This was introduced in 2015 in five designated areas of the borough (Dinnington, Eastwood, Maltby and Masbrough) and is already making improvements.

Fuel poverty is also a key issue, particularly in the older pre-1919 private rented stock although targeted external insulation improvements to these properties in recent years has improved the thermal comfort of many homes in areas such as Ferham, Eastwood and Dinnington.

Empty private sector homes are an issue in specific neighbourhoods where void levels are above our borough average of 3.27%. In neighbourhoods such as Little London in Maltby we have experienced void levels of up to 30%, which is requiring targeted intervention with the private landlords and community.

**Private rented sector – where we want to be in three years**

- New high quality homes for private rent being developed
- Improved quality across the private rented sector
- Reduced fuel poverty
- Better communication and engagement with private landlords
- Helping private landlords to provide homes that meet the needs of particular groups

- Tougher enforcement for those landlords who do not meet their statutory responsibilities

**Private rented sector – how we will get there**

Increasing supply

Through delivery of the interventions set out in the Council's Empty Property Policy and Action Plan, significant numbers of long-term empty properties can be brought back into use as private rented accommodation. For example empty property owners are offered help by the Council towards providing PRS properties through tenancy intervention services.

The Council in its strategic enabling role can provide developers and housing associations with information about the need for more market rent housing, including high-end executive accommodation, and facilitate the inclusion of market rent housing in new large scale communities such as the Advanced Manufacturing Innovation District.

Private Sector Housing Enforcement

Inspections of private rented properties under Part 1 of the Housing Act 2004 are made in response to complaints about housing standards or where the Council identifies property where there may be problems with housing health and safety. These inspections and Housing Health and Safety assessments can result in improvement requirements where there are serious defects causing Category 1 or 2 hazards, and are enforced through enforcement notices of various types. A financial charge can be levied to pay for the enforcement notices in most cases. Failing to comply with these notices or other housing standard requirements is a criminal offence, as is the failure to license a relevant House in Multiple Occupation (HMO) or a house within a Selective Licensing area.

Mandatory HMO Licensing and Selective Licensing of other houses

The borough has a small number of licensable Houses in Multiple Occupation where routine monitoring ensures they are safe to live in and that they are being managed appropriately.

Selective Licensing has also been implemented in five areas to address symptoms of low housing demand which make these neighbourhoods less desirable for people to move into and stay, making the community their home. Landlord take-up has generally been positive with the first year of the scheme likely to reach its target of licensing 70% of licensable property, and robust enforcement in place. However, detailed analysis is required of the outcomes of inspections and subsequent

improvements, as well as demographic data over the life of the scheme, to measure the impact of Licensing on the quality of the sector in these areas. We will continue to monitor this and if evidence suggests Selective Licensing has brought about improvements, consideration will be given to rolling this out in other areas (providing the strict criteria for Selective Licensing implementation can be met).

PRS for older people

Relatively low numbers of older people rent privately, generally preferring to rent from the Council, but limited bungalow stock and an ageing population mean that in addition to the need for more new housing to be built that is suitable for older people, the Council also needs to encourage this group to consider alternative options such as quality provision within the PRS. Some of the reasons older people may be reluctant to consider renting privately are lack of security and concern that it may not be possible to install aids and adaptations to enable them to continue living independently. It would be beneficial to have trusted private landlords in Rotherham who can offer a specialist service to older tenants (including, for example, long terms tenancies and agreement to adaptations), and the Council will play its part by stimulating the market and providing information to landlords about this gap in provision.

Houses in multiple occupation (HMO)

Consultation has taken place and Government seeks to extend the scope of mandatory licensing for HMOs, and set out proposals to streamline the HMO licensing process. Consultation closed in December 2015 and findings will be delivered during 2016.

It is recognised that houses in multiple occupation (HMO) can sometimes offer the only affordable housing option to some people, particularly young people who have been affected by welfare reform. The Council will monitor any potential increase in this sector and work with private landlords and housing association partners to ensure the highest quality of HMOs.

Fuel poverty

The Council will continue to work with partners to access external funding to improve the energy efficiency of the PRS as fuel poverty levels continue to be the highest in this sector. However a number of measures have already been taken and in 2013, 9% of Rotherham's households were living in fuel poverty which is better than the England average and represents a significant improvement on previous levels.

**Private rented sector – key actions over the next three years**

a. We will work with the owners of long-term empty properties to bring them back into use as private rented homes

b. We will work with landlords to provide a better private rented offer for older people.

c. We will thoroughly evaluate the success of our current Selective Licensing schemes and consider extending to other areas.

**Private rented sector – measuring our success**

| Indicator | 2014/15 (actual) | 2015/16 (projection) | 2016/17 (target) | 2017/18 (target) | 2018/19 (target) |
|---|---|---|---|---|---|
| Number of formerly long-term empty properties in the private sector that we have brought back into use as a direct result of Council intervention | N/A | 65 | 90 | 90 | 100 |
| Percentage of eligible properties which have applied for a licence, within Selective Licensing areas | N/A | 70% | 85% | 90% | tbc |
| Percentage of people living in fuel poverty in the private rented sector | 9% | 8.52% | 8.43% | 8.35% | 8.27% |

# Theme 4: Affordable home ownership

**Affordable home ownership – current position**

Part of a successful, well-functioning housing market is access to different house types within a range of affordability brackets and tenures, therefore affordable home ownership is an essential part of the market.

Nationally, home ownership has seen a steep rise over the past 60 years – from 32% in 1952 to 63% (14.8 million) in 2014 – fuelled by favourable economic trends and sustained by Government policies, and the desire for home ownership remains strong in Rotherham. 65% of Rotherham's households are home owners, and 69% would like to own the next home they move to.

However, it is becoming increasingly difficult for first time buyers to afford to buy a home due to low income levels, difficulties in securing mortgage finance, an increasing gap between income and house prices and the supply of affordable housing. Saving for a deposit and the cost of moving are also key factors for people wishing to buy a home. 54% of people who completed our housing strategy consultation survey thought first time buyers need help.

There are a number of schemes which aim to assist people to buy their own home, in addition to the Right to Buy:

- The Help to Buy scheme was launched by the Government in April 2013 to assist both first time buyers and homeowners on the property ladder, but is restricted to new build homes. The scheme allows applicants to apply for assistance through an equity loan or mortgage guarantee. From the launch of the scheme 429 Rotherham residents have been assisted with equity loan, 352 being first time buyers.
- Shared ownership properties are usually available through housing associations. This scheme allows people to buy a share of a property while paying rent on the remaining share. Shared ownership is available to people who cannot typically afford to buy a house on the open market and earning £60,000 or less.
- The new Starter Homes initiative is due to launch in 2016 and will help first time buyers buy new build properties with a 20% deposit.

Another route into home ownership is custom or self-build, whereby people are able to purchase a plot of land from the Council to build or direct the build of their own home. While this may not technically constitute 'affordable housing', it can offer a great alternative for people who require a specific design or location. Prospective applicants are directed by Key Choices to join the Council's Custom Build Register.

**Affordable home ownership – where we want to be in three years**

Central Government has focused attention and resources on affordable home ownership and starter homes and the Council needs to play a stronger role in promoting the various opportunities available.

We want to ensure a wide range of opportunities are available for people who want to own their home, and that people understand the various options.

We want people who work in Rotherham to choose to live here too, and also for people who work elsewhere in the region to choose Rotherham as a great place to buy a home.

We want to use affordable home ownership to stimulate a new residential offer in our town centre.

**Affordable home ownership – how we will get there**

We will promote the various opportunities available in Rotherham.

A further opportunity currently being explored in Rotherham is a 'rent-to-buy' product whereby people are supported (via a rent savings scheme) to purchase the property they are privately renting.

In addition to the various national agencies that are responsible for promoting these schemes (Help to Buy NEYH, Plumlife and My4Walls), it is important that clear information is provided by the Council's Key Choices advice service, and the level of communications and publicity will be increased from 2016.

**Affordable home ownership – key actions for the Council over the next three years**

a. Improve marketing and communication of affordable home ownership opportunities in Rotherham

b. Work in partnership with an investor / developer to deliver Rent to Buy housing in Rotherham

c. Seek to become a 'Vanguard authority' for the Starter Homes programme.

**Affordable home ownership – measuring our success**

| Indicator | 2014/15 (actual) | 2015/16 (projection) | 2016/17 (target) | 2017/18 (target) | 2018/19 (target) |
|---|---|---|---|---|---|
| Number of new starter homes delivered in year | 112 | 140 | 150-160 | 180-190 | 200-210 |
| Number of shared ownership homes delivered in year | 2 | 8 | 10 | 10 | 10 |
| Number of Help to Buy homes delivered in year | | | | | |

# Theme 5: Specialist housing

**Specialist housing – current position**

We know that we need more and better quality housing options for older people and have produced an Older People Housing Delivery Plan following consultation with residents and partners. In the past we have delivered some great older people housing schemes through partnership working, for example extra care housing and disabled person bungalows. The Plan recognises that we need a more proactive and evidence-based approach to specialist housing, and to get better at combining the skills, expertise and data held by the various teams and organisations involved in providing specialist accommodation.

The same approach needs to be applied to other types of specialist housing, particularly:

- People with dementia
- Adults with learning disabilities
- Adults with mental health conditions
- Adults with autism
- Adults with complex needs

We also have clear plans in place for improving and increasing accommodation for children and young people.

**Specialist housing – where we want to be in three years**

We know that we need better, more joined up working between RMBC Housing, Adult Services and Children and Young People Services – and with health services and the voluntary / community sectors - to ensure we deliver the right specialist housing in Rotherham.

We also want:

- To improve people's health and wellbeing and enable more people to remain living independently in their own homes
- To reduce isolation
- To contain expenditure within the context of increasing demand on services.

**Specialist housing – how we will get there**

Housing for older people

The Older People Delivery Plan has four objectives and the key actions under each are summarised below:

Objective 1: Ensure older people have access to excellent information and advice about housing options

- Develop new guide to independent living – setting out all housing options for older people in addition to offering advice and information
- Stimulate and diversify the advice market, working with voluntary / community sector organisations

Objective 2: Develop and maintain a clear understanding of the current and future housing needs of older people in Rotherham

- Better co-ordination of data between NHS, Adult Services and Housing to plan for new specialist housing

Objective 3: Support older people to live independently for as long as they choose

- Improve and increase the use of assistive technology
- Deliver a pilot on integrating workforces and assets in a specific area to create a 'health village' service offer without people having to move from their homes
- Improve hospital discharge processes and develop new 'step-down' accommodation to enable people to leave hospital and get ready for a return to independent living

Objective 4: Ensure a range of homes are available that are suitable for older people

- Through the Council's strategic housing enabling role – ensure homes suitable for older people are built in the right locations
- Identify alternative funding opportunities for specialist housing
- Deliver more extra care housing in the south and central areas of Rotherham

Specialist accommodation for children and young people

The Council has a Corporate Parenting role and is committed to ensuring excellent housing is available for our vulnerable young people including residential care, leaving care, foster parents and a leaving care drop-in facility.

Our key priorities for specialist young people's accommodation are:

- Better residential care homes
- Transition accommodation for children moving on from care
- Provision of local accommodation options for homeless young people

Specialist / supported housing for other groups

A new partnership forum will be created in early 2016 to look at specialist housing needs for the following groups:

- Adults with learning disabilities
- Adults with mental health conditions
- Adults with autism
- Adults with complex needs
- Households with a disabled adult or child(ren)

**Specialist housing – key actions for the Council over the next three years**

a. Deliver all actions within the Older People Housing Delivery Plan

b. Ensure delivery of accommodation for children and young people identified in the Sufficiency Strategy for Looked After Children.

c. Develop a clear programme of specialist housing for other groups and ensure alignment with the Housing Growth Plan.

**Specialist housing – measuring our success**

| Indicator | 2014/15 (actual) | 2015/16 (projection) | 2016/17 (target) | 2017/18 (target) | 2018/19 (target) |
|---|---|---|---|---|---|
| Number of extra care placements for older people (including existing) | 115 | 115 | 115 | 130 | 140 |
| Number of new specialist housing units (all types) | | | | | |

## Governance

Progress made with delivering the Housing Strategy will be monitored via the Strategic Housing Forum, which meets quarterly and whose membership includes representatives from housing associations, health services, the Police, voluntary and community organisations and various Council services involved in housing. Reports will be provided regularly to the Cabinet Member for Housing and be provided to the Business Growth Board of the Rotherham Together Partnership upon request.

### Other key documents (insert hyperlinks in published document)

- Strategic Housing Market Assessment
- Housing Growth Plan
- Economic Growth Plan 2015 – 2025
- Sheffield City Region Plan
- Rotherham Town Centre Masterplan (supplementary planning document January 2016, Arup)
- Allocations Policy
- Strategic Tenancy Policy
- Prevention of Homelessness Strategy
- Tenant Involvement Strategy
- Empty Homes Policy and Action Plan (private sector)
- General Enforcement Policy
- Older People Housing Delivery Plan
- Health and Wellbeing Strategy
- Sufficiency Strategy for Looked After Children.

### Contact Details

Strategic Housing Team
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01709 334970

## Appendix 1: Action plan

| Chapter | Key actions | Lead team(s) | Expected delivery date | Current position |
|---|---|---|---|---|
| Housing growth | Release Council-owned sites and assets for residential development as per detailed housing growth plan | Housing Development Team | Ongoing | |
| | Explore possibility of setting up a Housing Company to help accelerate the rate of build and diversify tenure | Housing Development Team | Dec 16 | |
| | Develop and launch a prospectus to attract developers into the town centre | Housing Development Team | Dec 16 | |
| Social housing | Develop a clear understanding of the future role of social housing in Rotherham in light of national policy changes | Strategic Housing Team | Dec 17 | |
| | Adapt our 30 year HRA Business Plan to reflect reduced income and future capital priorities | Housing Income Team / Investment Team | Aug 16 | |
| | Develop a new Strategic Tenancy Policy and procedures to accompany the new Tenancy Agreement | Strategic Housing Team | July 16 | |
| | Work in partnership with housing associations to help shape their locally determined Right to Buy schemes | Strategic Housing Team / Housing Development Team | Dec 16 | |
| | Remodel some of our social housing stock to reflect the need for more one bedroom and specialist homes | Strategic Housing Team / Investment Team | Ongoing | |
| Private rented housing | We will work with the owners of long-term empty properties to bring them back into use as private rented homes | Strategic Housing Team | Ongoing | |
| | Work with landlords to provide a better private rented offer for older people | Strategic Housing Team | July 17 | |
| | Evaluate the success of our current Selective Licensing schemes and consider extending to other areas | Strategic Housing Team / Community Protection | March 17 | |
| Affordable home ownership | Improve marketing and communication of affordable home ownership opportunities in Rotherham | Strategic Housing Team / Key Choices | Oct 16 | |
| | Work in partnership with an investor / developer to deliver Rent to Buy housing in Rotherham | Strategic Housing Team / Housing Development Team | Dec 16 | |
| | Seek to become a 'Vanguard authority' for the Starter Homes programme | Housing Development Team | July 16 | |

| Chapter | Key actions | Lead team(s) | Expected delivery date | Current position |
|---|---|---|---|---|
| Specialist housing | Deliver all actions within the Older People Housing Delivery Plan | Strategic Housing / Adult Services / Housing Development | Dec 18 | |
| | Ensure delivery of accommodation for children and young people identified in the Sufficiency Strategy for Looked After Children | Strategic Housing / CYPS Commissioning / Housing Development | Ongoing | |
| | Develop a clear programme of specialist housing for other groups and ensure alignment with the Housing Growth Plan | Strategic Housing | March 17 | |

Rotherham Metropolitan Borough Council

Public Report
Full Council

**Summary Sheet**

**Report to Council** 2nd March 2016

**Title** Sheffield City Region Devolution Deal

**Is this a Key Decision and has it been included on the Forward Plan?**
Yes

**Strategic Director Approving Submission of the Report**
Chief Executive

**Report Author** Steve Eling, Policy & Partnership Officer, Ext. 54419
Steve.eling@rotherham.gov.uk

**Wards Affected** All

**Summary**
Following the creation of the Sheffield City Region (SCR) Combined Authority in April 2014, work has been progressed to access the devolution advantages offered by the Government's "Northern Powerhouse" proposals. This led to the submission to Government of the City Region's devolution proposals in September 2015 and subsequent outline devolution deal being offered in October 2015. The passing of the Cities and Local Government Devolution Act 2016 (c. 1) now enables the proposed economic devolution deal to proceed.

The economic devolution deal will involve the establishment of a new, directly elected Sheffield City Region Mayor, who will act as Chair of a Sheffield City Region Mayoral Combined Authority, working alongside Local Authority Leaders in exercising the following powers and functions devolved from central Government:

- Responsibility for a consolidated, devolved transport budget, with a multi-year settlement to be agreed at the Spending Review;
- Responsibility for franchised bus services, which will support the delivery of smart and integrated ticketing across the Combined Authority's constituent councils;
- Responsibility for an identified key route network of local authority roads that will be collaboratively managed and maintained at the city region level by the Combined Authority on behalf of the Mayor; and
- Powers over strategic planning, including the responsibility to create a spatial framework for the city region and to chair the Sheffield City Region Joint Assets Board.

Devolved powers will include:

- Control of a new additional £30 million a year funding allocation over 30 years;
- Responsibility for chairing an area-based review of 16+ skills provision and devolved 19+ adult skills funding from 2018/19;
- Co-design of employment support for the harder-to-help claimants and piloting more intensive support for those furthest from the labour market;
- More effective joint working with UK Trade & Industry (UKTI) to boost trade and investment; and
- The Government will work with the Combined Authority on further funding flexibilities with an additional ambition to achieve a greater single pot to invest in economic growth.

The Combined Authority is required to make some commitments as part of the deal. These include:

- Working with the Government to develop a full implementation plan, covering each policy agreed in the deal, to be completed ahead of implementation;
- Setting out proposals to the Government for how local resources and funding will be pooled across the city region;
- Agreeing a process to manage local financial risk and accountability between local and national bodies; and
- Progressing programmes of transformation amongst authorities to streamline back office functions and share more services and data, including on assets and property.

The Combined Authority undertook a public consultation on the proposals of the devolution deal including governance, activity and fiscal measures. The consultation closed on 15th January with responses providing general support for the proposal subject to the careful management of the risks associated with devolved functions, including:

- Support for the 'principle' of devolution i.e. that decisions are better made locally than in Whitehall;
- Recognition that the Mayoral Combined Authority model gives the potential for better alignment of investment decisions; and
- The office of mayor must not create significant additional cost and be another layer of bureaucracy.

Subject to ratification of the devolution proposal by all relevant authorities and the SCR Combined Authority, and the making of an Order by Parliament, the first election of City Region Mayor will take place in 2017.

**Recommendations**

It is recommended that Council:

a) Endorse the devolution agreement set out at Appendix A in order for central Government to develop the necessary legislation to put it on a statutory footing during 2016/17.

b) Note the work that has taken place since the 'deal' was proposed in October 2015 – in particular those matters detailed in paragraphs 2.4; 2.5 and Appendix B.

c) Note and take into account the results of the City Region's consultation exercise that has taken place between October 2015 and January 2016 – including the summary of the consultation detailed in section 5 and Appendix C.

d) Delegate authority to the Chief Executive (in consultation with the Leader and Commissioners as appropriate) to consent to an enabling Order.

**List of Appendices Included**
Appendix A – Sheffield City Region Devolution Agreement
Appendix B – Summary of progress made since the Proposal was made in October
Appendix C – SCR Devolution Consultation - results summary

**Background Papers**
Cities and Local Government Devolution Act 2016 (c. 1)
Local Democracy, Economic Development and Construction Act 2009 (c. 20)
Rotherham Growth Plan
Sheffield City Region devolution deal proposal – September 2015
The in-principle Sheffield City Region Combined Authority devolution agreement – October 2015

**Consideration by any other Council Committee, Scrutiny or Advisory Panel** No

**Council Approval Required** Yes

**Exempt from the Press and Public** No

**Title: Sheffield City Region Devolution Deal**

## 1. Recommendations

1.1 It is recommended that Council:

i. Endorse the devolution agreement set out at Appendix A.

ii. Note the work that has taken place since the 'devolution deal' was proposed in October 2015 – in particular those matters detailed in paragraphs 2.4; 2.5 and Appendix B.

iii. Note and take into account the consultation exercise that has taken place between October 2015 and January 2016 – including the summary of the consultation detailed in section 5 and Appendix C.

iv. Delegate authority to the Chief Executive (in consultation with the Leader and Commissioners as appropriate) to consent to an enabling Order.

## 2. Background

2.1 On 2 October 2015 Sheffield City Region ("SCR") political and business leaders secured an in-principle, economic devolution agreement ("the proposal") with the Chancellor of the Exchequer. This followed a set of devolution "asks" presented to Government by the City Region on 4th September 2015, which were reported to RMBC full Council on 16th September 2015. The proposal involves the significant devolution of power and funding from Whitehall to local leaders in the City Region, including the headline feature of a stable £900m investment fund over the next 30 years (£30m per annum, referred to by Government as "gainshare" funding) which would, following ratification, be made available from April 2016.

2.2 In addition to the £900m "gainshare" funding, further resources are due to be put at the SCR's disposal as part of the "single pot" agreed under the devolution deal. Estimates for this additional share of national funding streams to be included within the single SCR pot have been in excess of a further £1billion; however, this is still being quantified through discussions with Government Departments and cannot be accurately set out at this stage. Further detail is expected to follow in the light of ratification of the deal.

2.3 The proposal covers a range of economic themes including skills and employment; housing, planning and public assets; innovation, advanced manufacturing and business growth and transport. The proposal also includes elements of fiscal devolution (retained business rates) and changes to City Region-level democratic structures. Specifically, the proposal makes clear that any 'deal' is contingent upon:

- The Sheffield City Region Combined Authority adopting the model of a directly elected city region Mayor over the Combined Authority's area with the first elections in May 2017. The existing

Sheffield City Region Combined Authority will also be strengthened with additional powers.

2.4 The terms of the proposal require formal ratification by the SCR Combined Authority ("CA") by the end of March 2016. Members of the SCR CA have also agreed to seek formal ratification of the proposal by all nine local authority members of the SCR prior to this date. To inform these decisions, a consultation exercise was launched on 2nd December 2015 and ran until 15th January 2016. A summary of views received by the SCR as a result of this consultation exercise is included at paragraphs 5.2 to 5.4 below and in Appendix C to the report.

2.5 Since the in-principal proposal was agreed in October 2015, a body of work has been undertaken by the City Region Secretariat and member authorities to take forward the different elements and commitments within it. This includes the development of a mobilisation and implementation plan to ensure that the commitments made within the proposal are realised.

2.6 Key elements of progress (inclusive of progress made by City Region partners and the Government) is summarised below, with additional detail included in the table at Appendix B. It should be noted that an update to RMBC elected members on this activity was also provided at an all-member seminar with the Chair of the CA, Sir Stephen Houghton, on 11th January 2016.

- **Overview - Funding confirmation:** subject to the ratification of the proposal, the SCR will receive its first £30m p.a. additional funding ("gainshare") payment in April 2016. Further to this, through the Spending Review, the SCR has received confirmation of its £310m Growth Deal award between 2016 and 2021.
- **Governance - Mayoral voting powers on the CA:** the Cities and Local Government Devolution Act has now been passed as new legislation. This, for example, includes provision to give greater flexibility to the five District Councils within the Sheffield City Region to become full, constituent members of the CA.
- **Governance - Mayoral voting powers on the CA:** it has expressly been confirmed that there is no in-built 'mayoral veto' within the proposal. The relationship between the CA and the SCR Mayor is a matter that can be dealt with through a detailed refresh of the CA's constitution, and these arrangements would be owned locally by the final Mayoral Combined Authority (MCA) when constituted.
- **Skills - 19+ Adult Skills Budget:** greater understanding has been gained of the Government's conditions for devolution, so that this can be progressed as part of the finalised deal.
- **Skills - Area Based Review (of further education provision):** work on the review has started and this is expected to be complete in April.
- **Housing Investment Fund:** the SCR is entering into further discussions on the development of a fund. However, it should be

noted that the SCR will not receive additional devolved powers and funding until it has ratified the proposal.

- **Devolved and consolidated transport budget:** given the confirmation of funding available nationally for transport through the Spending Review, it is expected that the SCR will negotiate and agree its budget in February/March 2016.
- **Buses Bill:** it is expected that a draft Bill will be published by the Government in February that will set out proposals to establish the primary legislation required to re-franchise bus services and make provisions to strengthen partnership working.
- **Business rates:** SCR and Government are currently agreeing a baseline against which additional growth can be calculated. It is expected that these arrangements will be in place from April 2016, enabling the City Region to share the benefits of the additional growth it creates.
- **Intermediate Body status for ESIF** (**European Structural and Investment Funds):** discussions have progressed and it is expected that the SCR will be able to decide in March 2016 if it wishes to become an intermediate body for the selection of ESIF projects.

## 3. Key Issues

3.1 Following the creation of the Sheffield City Region Combined Authority (CA) in April 2014, work has been progressed to access the devolution advantages offered by the Government's "Northern Powerhouse" proposals. The ratification recommended in this report is a critical step towards the legal and constitutional changes provided for in the new legislation and realisation of the benefits for the SCR.

3.2 For Rotherham specifically there are a range of key outcomes expected from the final deal, including:

3.3 **Education & Skills Priorities:**

a) Employment:

- Produce more confident and skilled residents and workforce;
- Produce enterprising young people and jobseekers (through Rotherham Youth Enterprise) to be economically self-sufficient;
- Whilst a key focus of SCR is on high skill jobs, vulnerable, unemployed and low skilled workers will also be central to the deal – ensuring that these groups are equipped with the necessary opportunities to take up further learning/employment and benefit from the entire employment and skills system;
- A greater ability to directly fund and commission local solutions to tackle unemployment for the over 25s which are both personalised and offer work experience to improve employability and enterprise – i.e. replicating 18-24 year-olds Ambition Project for over 25s; and
- Commission projects for health services and Job Centre Plus to work better together to tackle unemployment amongst those people on long-term sickness benefits.

b) Apprenticeships and High Level Skills:
- Support the creation of a University Campus within Rotherham town centre to increase higher level skills, at level 4 and above;
- Supporting RMBC to ensure 2.5% of its workforce are apprenticeship trained/qualified in order to meet the Government's target for public sector employers;
- Increase the number of apprenticeships offered by Rotherham employers and suitable apprenticeship candidates seeking and completing apprenticeships; and
- Commission projects to support school sixth forms and apprenticeship provider collaboration to support 17 and 18 year old transition into high level apprenticeships.

c) Adult Learning:
- Adult Learning Fund (ALF) is essentially the only funding available to RMBC at present to target basic skills (literacy, numeracy, first Level 1 and 2 qualifications) – retaining the focus of ALF on issues within Rotherham when it is devolved to the City Region from 2018 will be critical in ensuring vulnerable groups can continue to benefit from economic growth and prosperity. The devolution of wider adult skills funding through the deal will, in future, present new opportunities for Rotherham to have a greater say in City Region-level decisions about investment which currently rest at the national level.

d) Information, Advice & Guidance (IAG):
- Ensure a wide pool of job-ready people who are supported to access new and higher level job opportunities, through targeted IAG and training and employment support programmes;
- Ensure that training provision, IAG provided by schools and employability providers is relevant to the local job market and reflects the needs of employers – requires evaluation (commissioned by SCR) on the effectiveness of IAG in schools;
- Provide targeted, effective support to overcome barriers to employment, including provision of key workers, supporting residents to access learning to improve their chances of securing, retaining or progressing in employment;
- Fund RYE to effectively engage business to both challenge and support schools in delivering good IAG, enterprise, employability skills and labour market intelligence; and
- RMBC to retain its "Search and Apply" (online prospectus of all 16-18 provision and application process) and Youthi website (careers, support and vacancy information) – only universal information to young people (currently funded from Early Help).

e) 16-18 Strategy:
- Commissioning powers to be devolved to the City Region and local authorities to appropriately plan for 16-18 provision – authorities currently receive no Government funding to fulfil its statutory duty to ensure that there is a sufficient and appropriate learning place

for all 16-18 year olds. In addition, authorities have no commissioning or quality assurance role to influence the post-16 offer in their areas; and

- Ensuring that the outcomes of the Area Based Review can support the full further education system – e.g. both colleges and school sixth forms.

3.4 **Economy and Growth**

a) The devolution deal will be critical in helping us deliver Rotherham's ten year Economic Growth Plan which will deliver a range medium and long-term economic benefits, including:
   - 10,000 net new jobs for the next 10 years;
   - 750 net new businesses over the next 5 years, delivering an innovative and growing business base;
   - Increase in productivity resulting of growth of the Rotherham economy; and
   - The housing and transport infrastructure to underpin sustainable economic growth.

b) Specifically, the Advanced Manufacturing Innovation District (AMID) provides an expanded, 2,000-acre centre of excellence in metals and materials manufacturing, spanning the Rotherham-Sheffield border. This will accelerate and enhance the economic growth potential from the existing assets of a dynamic and innovative SME base, the research and innovation capacity of Rotherham's Advanced Manufacturing Park (AMP) and the positive agglomeration of many of the UK's leading manufacturers. AMID brings together universities, local authorities and the private sector around a new vision and is a major, transformational project, rooted in Rotherham's current AMP but delivering great benefits for the entire City Region. The devolution deal and associated single pot funding will be critical in unlocking this potential and providing the investment required.

c) By 2025 the AMID will deliver the following economic benefits:
   - Increasing R&D spending across the regional manufacturing base from 3.5% of turnover to 5% turnover. It is estimated that this will deliver £200m in productive growth through underlying productivity performance returns to firms, and up to a further £350m wider spill-over effects in the UK through local value and supply chain;
   - Doubling the current size of the advanced materials and manufacturing research campus, through the delivery of a 50-acre extension to the Advanced Manufacturing Research Centre ("AMRC2");
   - Attracting major Original Equipment Manufacturer (OEM) investment. We are working to secure OEMs and associated production capabilities – we estimate that each one could be worth up to 250 jobs and over £30million in Gross Value Added (GVA);
   - Accelerate the delivery over 110,000sqm in the first 5 years of industrial-focused development sites, accommodating an estimated 3,500 jobs and £170m GVA;

- Enable the development of a “technical services cluster”, which will strength the local value chain, and could generate up to 2,700 jobs and £135m GVA (based on the development of new 62,000sqm development);
- Deliver a new mass transit transport network to the Innovation District, and other enabling infrastructure to bring forward and accelerate new development opportunities; and
- Create a high quality of place, which offers mixed used development, encouraging networking and open innovation and creating green routes and an environment where people can live, work and relax.

d) Rotherham MBC are also a consortium member of the Launch Pad ESIF project delivering a £3.9m programme of business support across the City Region, with £350k match-funding from the CA. The ESIF project will provide funding for business advisors directly delivering in Rotherham to help entrepreneurs start businesses directly impacting on our economic growth. There is also an ESIF Growth Hub Enhancement project that Rotherham will also be a part of which will support existing businesses to grow and inward investment. The outputs for the Start-up ESIF programme have yet to be fully confirmed but as a minimum is expected to deliver:
   - 200 Jobs;
   - 550 enterprises supported;
   - 200 new enterprises supported;
   - 1480 entrepreneurs assisted; and
   - 650 enterprises receiving information advice and guidance.

e) The devolution deal will enable further investments of this nature and enable the SCR Growth Hub to deliver the products and services in partnership with Rotherham that will enable us to achieve the targets in the Rotherham Growth Plan. These contracts are just the beginning, additional activity is being investigated around investing in the “Yaccelerator”, delivered through Rotherham’s incubation centres; and once the deal is ratified and the Single Pot and gainshare funding comes on-stream the SCR will be able to more fully engage with partners in identifying investment opportunities in the Region.

f) Rotherham also stands to benefit from the impacts of the Regional Growth Fund, which is due to support 130 companies across the SCR to March 2017, providing grants of between £25,000 and £2million. In total this will mean funding of £30.6million unlocking private sector investment of £208m, creating 2,400 jobs and safeguarding a further 350.

g) There will also be new opportunities to benefit from a new Housing Investment Fund which will allows for more homes, including more affordable homes, to be built across the City Region; as well as continuing benefits through the focus on new broadband infrastructure.

## 4. Options considered and recommended proposal

4.1 On the basis of the consultation and in support of the matters set out in this report, it is recommended that the Council formally ratifies the devolution deal proposal set out at Appendix A.

4.2 It is also recommended that Council delegate authority to the Chief Executive to consent to an enabling order (i.e. an Order which provides for the MCA to exist – but does not confer upon it any functions) in consultation with the Leader and Commissioners as appropriate.

4.3 The reason for this recommendation is that, although the Order will be modest in scope, the legislation does specifically require each Constituent Council within the SCR to consent to the making of the Order, and this must be done by May 2016. From a practical point of view, it would be difficult to arrange a further Council meeting to approve the Order when the final text is issued. All SCR member authorities, as part of the local ratification process, are therefore being asked to agree to delegate authority to their Chief Executives to provide the required consent to the enabling order, in due course.

4.4 The more significant matters of detail with regard to functions, governance, finance and electoral arrangements will be contained in later legislative orders which will also require formal consent. These must be approved by the end of June to meet the Parliamentary timetable.

4.5 The justification for the recommendation to agree the overall ratification of the devolution deal is that it is believed that the proposal will support the City Region, and Rotherham's role within it, to:

- Improve transport within the City Region and join up our transport connections with other parts of the country;
- Deliver major regeneration schemes and secure more private sector investment, with more localised decision-making around public sector investment;
- Help more of our businesses boost trade, export their goods and services and promote our region around the world;
- Deliver significant improvements to the skills and training system;
- Design and deliver a careers service to get young people and adults the information they need;
- Deliver the UK's first "Advanced Manufacturing Innovation District"
- Deliver 100% ultrafast broadband coverage for all of the Sheffield City Region;
- Boost and expand the City Region's successful "Enterprise Zones" (including the Advanced Manufacturing Park within Rotherham); and
- Control of the powers and resources for the bus network and develop an "Oyster card" type system for public transport.

4.6 In summary, the proposal will place more powers (and funding) in the hands of local leaders:

- Giving them more tools with which to develop our economy;

- Create sustainable high-quality employment; and
- Fund public services in the future.

4.7 The alternative would be to do nothing, in which case the existing Combined Authority would remain unchanged, and without the range of devolved functions and resources on offer.

## 5. Consultation

5.1 Within the Council, a report on the SCR devolution "asks" went to members as part of the full Council meeting on 16th September 2015. Following publication of the in-principle devolution deal in October 2015 a further seminar for all RMBC elected members was held with the Chair of the CA, Sir Stephen Houghton, on 11th January 2016.

5.2 The Sheffield City Region undertook a public consultation on the proposals of the devolution deal, including governance, activity and fiscal measures, from 2nd December 2015. The consultation closed on 15th January 2016, with responses summarised as follows:

- Support for the principle of devolution - i.e. that decisions are better made locally than in Whitehall;
- Support for additional funding through the deal;
- That the deal compares favourably with other areas;
- Support for direct accountability with regard to decisions made;
- Recognition that the Mayoral Combined Authority (MCA) model gives the potential for better alignment of investment decisions; and
- Recognition that the proposal would deliver benefits across the City Region.

5.3. However, other comments included that:

- The office of Mayor must not create significant additional cost and be another layer of bureaucracy;
- There could be some confusion between the role of local civic mayors, the mayor in Doncaster and a new 'metro' (SCR) mayor.
- The MCA model must seek to reflect the full economic geography of the city region;
- That devolution brings with it risks, as well as potential rewards;
- There must be an alignment between the functions of the Mayor and their electoral mandate;
- That the relationship between the CA and the mayor must be both clear and constructive; and
- That the quality of mayoral candidates is critical to the success of the proposal/the MCA.

5.4. Overall, the consultation exercise revealed general support for the proposal, subject to the careful management of the risks associated with devolved functions. A key factor was the additional resources associated with the proposal (both now and in the future). A full overview of the SCR consultation responses is attached at Appendix C to the report.

## 6. Timetable and Accountability for Implementing this Decision

6.1 If the Proposal is ratified by all relevant SCR local authorities the key milestones between now and any election in May 2017 are as follows:

- March 2016 - Sheffield City Region CA ratifies proposal in full, following individual member local authorities' ratification;
- March 2016 – Sheffield City Region agrees the assurance and accountability framework that sets out how the first £30m "gainshare" payment will be managed;
- April 2016 – first instalment of £30m "gainshare" paid in line with the proposal;
- April to June 2016 – detail of legislative Order agreed with the Department for Communities and Local Government (CLG);
- Early June 2016 – Draft legislative Order endorsed by individual SCR member local authorities and the CA;
- End of June 2016 – Secretary of State (CLG) lays an Order in both Houses of Parliament for the SCR, Greater Manchester and (potentially) other areas;
- June - October 2016 – Order ratified by both Houses of Parliament;
- By January 2017 (but likely before), Mayoral candidates come forward;
- May 2017 – Mayoral election takes place; and
- May 2020 – second Mayoral election takes place (and every 4 years thereafter).

## 7. Financial and Procurement Implications

7.1 There are no direct financial implications from this report: there is no net 'cost' associated with the ratification of this proposal. The costs of, for example, any future Mayoral election would be met from future devolved funds.

7.2 The constitutional arrangements of any MCA (including revenue raising powers and the use of retained business rates) will, however, have a significant impact on both the finances of the CA and of its Members and this will need to be monitored closely through the authorities role in the MCA at all levels.

## 8. Legal Implications

8.1 There are no direct legal implications for the Council arising from this paper. However, the MCA would reflect a considerable constitutional change to the CA and its members' roles.

## 9. Human Resources Implications

9.1 There are no direct human resource implications for the Council.

## 10. Implications for Children and Young People and Vulnerable Adults

10.1 Whilst there may be the potential for social care functions, aligned to devolution of health functions, to be vested in a Mayoral Combined Authority, there are no proposals at present to include these functions in the Sheffield City Region deal, which focuses exclusively on the economy. Any such proposals would need to be the subject of a revised devolution deal should they be pursued at any future date. Section 16 of the Cities and Local Government Devolution Act 2016 (c. 1) makes provision for the transfer of public authority functions to certain local authorities.

10.2 There are, nevertheless, expected to be beneficial outcomes for young people arising from the skills packages included in the deal, as set out in this report, and enhanced employment prospects as a result.

## 11 Equalities and Human Rights Implications

11.1 There are no direct equalities or diversity implications arising from this report.

## 12. Implications for Partners and Other Directorates

12.1 There is a key relationship between the Council as a member of the SCR Combined Authority and associated devolution deal, and the priorities for the Borough being progressed through partnership working. The proposals in the devolution deal are projected to significantly enhance the realisation of the objectives of the Rotherham Growth Plan for example, and therefore have key linkages to the work of the Business Growth Board, as well as the over-arching Rotherham Together Partnership.

## 13. Risks and Mitigation

13.1 There are no identifiable risks associated with the ratification of the devolution deal proposal. It is not envisaged that any of the relevant SCR authorities will decline to ratify the proposal, or that there would be opposition to approval of the Order in Parliament.

13.3 Members will wish to note that, subject to this initial ratification, further detail of the final legislative order which will formally enact the deal is also due to be subject to individual local authority agreement/ratification, prior to the order being placed before Parliament. This will ensure further member consideration in due course (expected in June 2016).

## 14. Accountable Officers

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Appendix A

HM Treasury

Sheffield City Region

# SHEFFIELD CITY REGION DEVOLUTION AGREEMENT

HM Treasury

Sheffield City Region

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**The Rt Hon George Osborne**
Chancellor of the Exchequer

.....

**Cllr Sir Stephen Houghton CBE**
Chair of Sheffield City Region Combined Authority and Leader of Barnsley Metropolitan Borough Council

.....

**Cllr Julie Dore**
Leader of Sheffield City Council

.....

**James Newman**
Chair of Sheffield City Region Combined Authority Local Enterprise Partnership

HM Treasury

Sheffield City Region

J O'Neill

.....

**Lord Jim O'Neill**
Commercial Secretary

C. Read

.....

**Cllr Chris Read**
Leader of Rotherham Metropolitan Borough Council

.....

**Deputy Mayor Glyn Jones**
On behalf of Mayor of Doncaster Metropolitan Borough Council

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# Sheffield City Region Combined Authority Devolution Deal

This document sets out the terms of a proposed agreement between Government and the leaders of the Sheffield City Region to devolve a range of powers and responsibilities to the Sheffield City Region Combined Authority and a new directly elected mayor. Building on the City Deal, agreed in 2012, the Growth Deals, agreed in July 2014 and January 2015 and initial Devolution Agreement, agreed in December 2014, this Devolution Deal marks the next step in the transfer of resources and powers from central Government to the Sheffield City Region.

The devolution proposal and all levels of funding are subject to the Spending Review and Sheffield City Region consulting on the proposals and ratification from the local authorities. This agreement is subject to the enactment of the necessary legislation (The Cities and Local Government Devolution Bill and the Buses Bill), and to parliamentary approval of the secondary legislation implementing the provisions of this agreement.

This agreement will enable Sheffield City Region to accelerate the delivery of its Strategic Economic Plan, strengthening its position as a world class centre for advanced manufacturing and engineering.

**Summary of the proposed Devolution Deal agreed by the Government and the Sheffield City Region Combined Authority with the support of the Local Enterprise Partnership**

A new, directly elected Sheffield City Region Mayor will act as Chair to the Sheffield City Region Combined Authority and will exercise the following powers and functions devolved from central Government:

- Responsibility for a consolidated, devolved transport budget, with a multi-year settlement to be agreed at the Spending Review.
- Responsibility for franchised bus services, which will support the Combined Authority's delivery of smart and integrated ticketing across the Combined Authority's constituent councils.
- Responsibility for an identified Key Route Network of local authority roads that will be collaboratively managed and maintained at the city region level by the Combined Authority on behalf of the Mayor.
- Powers over strategic planning, including the responsibility to create a spatial framework for the city region and to chair the Sheffield City Region Joint Assets Board.

The Sheffield City Region Combined Authority (SCR CA), working with the Mayor, will receive the following powers:

- Control of a new additional £30 million a year funding allocation over 30 years, to be invested to boost growth.
- Responsibility for chairing an area-based review of 16+ skills provision, the outcomes of which will be taken forward in line with the principles of the devolved arrangements, and devolved 19+ adult skills funding from 2018/19.
- Joint responsibility with Government to co-design employment support for the harder-to-help claimants, many of whom are currently referred to the Work Programme and Work Choice. SCR will also bring forward a proposal to pilot more intensive support for those furthest from the labour market.
- More effective joint working with UKTI to boost trade and investment, and responsibility to work with Government to develop and implement a devolved approach to the delivery of national business support programmes from 2017.

In addition:

- To support the development of the SCR Advanced Manufacturing Innovation District, the Government will offer the Sheffield City Region expert advice and support to ensure they are able to put forward a City Region led proposal to undertake a Science and Innovation audit.
- The Sheffield City Region will work with HM Government to achieve their ambitions for a national Institute for Infrastructure within Doncaster.
- HM Government will work with the Sheffield City Region Combined Authority to agree specific funding flexibilities to a Spending Review timetable. The joint ambition will be to give Sheffield City Region Combined Authority a single pot to invest in its economic growth.

Further powers may be agreed over time and included in future legislation.

Governance

1. Sheffield City Region (SCR) has taken bold steps in securing effective and accountable governance arrangements. The SCR Local Enterprise Partnership (LEP) was part of the first wave of LEPs established in 2010 and has been one of the strongest performers since then. The SCR was the first to submit plans for its Combined Authority under the Coalition Government, which was established in April 2014. The Combined Authority enables decisions on economic growth and development to be taken in an open and transparent way in one place for the whole of the SCR.
2. As part of this proposed agreement, the Sheffield City Region Combined Authority will adopt a model of a directly elected city region Mayor over the Combined Authority's area with the first elections in May 2017[1]. The existing Sheffield City Region Combined Authority will also be strengthened with additional powers. This takes the next step in transferring resources and powers from central Government to the Sheffield City Region. There is no intention to take existing powers from local authorities without agreement. The agreement will protect the integrity of local authorities in the Sheffield City Region.
3. The directly elected Mayor for Sheffield City Region Combined Authority will autonomously exercise new powers. The Mayor will chair the Sheffield City Region Combined Authority, the members of which will serve as the Mayor's Cabinet. The Mayor and the Sheffield City Region Combined Authority will be scrutinised and held to account by the SCR Overview and Scrutiny committee(s). The SCR Mayor will also be required to consult the SCR CA Cabinet on his/her strategies, which it may reject if two-thirds of the members agree to do so. The SCR Cabinet will also examine the Mayor's spending plans and will be able to amend his/her plans, if two-thirds of the members who have been appointed by constituent councils agree to do so.
4. Proposals for decision by the Combined Authority may be put forward by the Mayor or any Cabinet Member. The Mayor will have one vote as will other voting members. Any questions that are to be decided by the Combined Authority are to be decided by a majority of the members present and voting, subject to that majority including the vote of the Mayor, unless otherwise set out in legislation, or specifically delegated through the Authority's Constitution.
5. The Sheffield City Region Mayor and the other members of the Sheffield City Region Combined Authority will be required to work closely together. Specifically:
    a. the Mayor will provide overall leadership and chair Combined Authority meetings; and
    b. the SCR Cabinet Model, where the leaders have a clear portfolio of responsibilities, will act as a supporting and advisory function to the Mayor and Combined Authority in respective policy areas.

[1] This will be based on the constituent members of the Combined Authority but can be extended to include any other members of the Combined Authority that change their member status from non-constituent to constituent.

c. The Mayor will also be a member of the LEP, alongside the other members of the Combined Authority, recognising the importance of the private sector in any growth strategies or delivery.

6. The recent changes to strengthen the governance arrangements in the Sheffield City Region by formally establishing five Executive Boards that have delegated decision making powers from the Combined Authority, are expected to continue as part of this agreement.
7. Economic growth is a shared endeavour and is vital in delivering the Northern Powerhouse ambitions. The Mayoral Combined Authority will continue to work very closely with HM Government for the benefit of the public.
8. Sheffield City Region Combined Authority and Local Enterprise Partnership commits to work with partners across the North of England to promote opportunities for pan-Northern collaboration, including Transport for the North, to drive northern productivity and build the Northern Powerhouse.

Skills (19+)

9. The Government will enable local commissioning of outcomes to be achieved from the 19+ adult skills budget starting in academic year 2016/17; and will fully devolve budgets to the Sheffield City Region Combined Authority from academic year 2018/19 (subject to readiness conditions). These arrangements do not cover apprenticeships.
10. Devolution will proceed in three stages, across the next three academic years:
    a. Starting now, the SCR Combined Authority will begin to prepare for local commissioning. It will develop a series of outcome agreements with providers about what should be delivered in return for allocations in the 2016/17 academic year. This will replace the current system of funding by qualifications as providers will receive their total 19+ skills funding as a single block allocation. This new arrangement will allow the SCR Combined Authority to agree with providers the mix and balance of provision that will be delivered in return for the block funding, and to define how success will be assessed.
    b. For the 2017/18 academic year, and following the area review, Government will work with the SCR Combined Authority to vary the block grant allocations made to providers, within an agreed framework
    c. From 2018/19, there will be full devolution of funding. The SCR Combined Authority will be responsible for allocations to providers and the outcomes to be achieved, consistent with statutory entitlements. Government will not seek to second guess these decisions, but it will set proportionate requirements about outcome information to be collected in order to allow students to make informed choices. A funding formula for calculating the size of the

grant to local / combined authorities will need to take into account a range of demographic, educational and labour market factors.

11. The readiness conditions for full devolution are that:

    a. Parliament has legislated to enable transfer to local authorities of the current statutory duties on the Secretary of State to secure appropriate facilities for further education for adults from this budget and for provision to be free in certain circumstances

    b. Completion of the Area Review process leading to a sustainable provider base

    c. After the area-reviews are complete, agreed arrangements are in place between central government and the Combined Authority to ensure that devolved funding decisions take account of the need to maintain a sustainable and financially viable 16+ provider base

    d. Clear principles and arrangements have been agreed between central government and the Combined Authority for sharing financial risk and managing failure of 16+ providers, reflecting the balance of devolved and national interest and protecting the taxpayer from unnecessary expenditure and liabilities

    e. Learner protection and minimum standards arrangements are agreed

    f. Funding and provider management arrangements, including securing financial assurance, are agreed in a way that minimises costs and maximises consistency and transparency.

Skills (16-18)

12. HM Government commits to an Area Based Review of post-16 education and training leading to agreed recommendations by February 2016. The outcomes of the Area Based Review will be taken forward in line with the principles of the devolved arrangements. The review will be chaired by the Combined Authority and will include all post-16 education and training provision in the initial analysis phase. Recommendations will be focused on General FE and Sixth Form Colleges, however the Regional Schools Commissioner and the relevant local authorities will consider any specific issues arising from the reviews for school sixth form provision.

13. To ensure continued local collaboration following the Area Based Review, the Sheffield City Region Combined Authority will work in partnership with local colleges and providers to publish a local skills strategy. This will aim to help ensure that post-16 providers are delivering the skills that local employers require. It is expected that the Combined Authority will then collaborate with colleges and providers, with appropriate support from EFA, to work towards that plan.

14. Following the Area Based Review, HM Government would expect the Regional Schools Commissioner to continue to engage with the Sheffield City Region Combined Authority to ensure local links and working are maintained.

15. HM Government will work with Sheffield City Region Combined Authority to ensure that local priorities are fed into the provision of careers advice, such that it is employer-led, integrated and meets local needs. In particular, the Sheffield City Region Combined Authority will ensure that local priorities are fed into provision through direct involvement and collaboration with HMG in the design of careers and enterprise provision for all ages, including collaboration on the work of the Careers and Enterprise Company and the National Careers Service.

## Employment

16. Sheffield City Region Combined Authority will work with DWP to co-design the future employment support, from April 2017, for harder-to-help claimants, many of whom are currently referred to the Work Programme and Work Choice.
17. The respective roles of DWP and Sheffield City Region Combined Authority in the co-design will include:
    a. DWP sets the funding envelope, Sheffield City Region Combined Authority can top up if they wish to, but are not required to.
    b. Sheffield City Region Combined Authority will set out how they will join up local public services in order to improve outcomes for this group, particularly how they will work with the Clinical Commissioning Groups/third sector to enable timely health-based support.
    c. DWP set the high-level performance framework and will ensure the support appropriately reflects labour market issues. The primary outcomes will be to reduce unemployment and move people into sustained employment. Sheffield City Region Combined Authority will have some flexibility to determine specific local outcomes that reflect local labour market priorities, these outcomes should be complementary to the ultimate employment outcome (for example in-work wage progression). In determining the local outcome(s) Sheffield City Region Combined Authority should work with DWP to take account of the labour market evidence base and articulate how the additional outcome(s) will fit within the wider strategic and economic context and deliver value for money.
    d. Before delivery commences, DWP and Sheffield City Region Combined Authority will set out an agreement covering the respective roles of each party in the delivery and monitoring of the support, including a mechanism by which each party can raise and resolve any concern that arise.
18. In addition, in the event employment support for this group is delivered through a contracted-out programme, Sheffield City Region Combined Authority will co-commission the programme with DWP. the respective roles of DWP and Sheffield City Region Combined Authority will include:

a. DWP sets the contracting arrangements, including contract package areas, but should consider any proposals from Sheffield City Region Combined Authority on contract package area geography.

b. Sheffield City Region Combined Authority will be involved in tender evaluation.

c. Providers will be solely accountable to DWP, but DWP and Sheffield City Region Combined Authority's above-mentioned agreement will include a mechanism by which Sheffield City Region Combined Authority can escalate to DWP any concerns about provider performance/breaching local agreements and require DWP to take formal contract action where appropriate.

19. In the event that alternative delivery mechanisms are put in place, comparable arrangements will be put in place.

20. Sheffield City Region will develop a business case for an innovative pilot to support those who are hardest to help. The business case should set out the evidence to support the proposed pilot, cost and benefits and robust evaluation plans, to enable the proposal to be taken forward as part of the delivery of this agreement, subject to Ministerial approval.

## Housing and planning

21. The Sheffield City Region Combined Authority Mayor will also exercise strategic planning powers to support and accelerate these ambitions. This will include the power to:

    a. Create a spatial framework, which will act as the framework for managing planning across the Sheffield City Region, and with which all Local Development Plans will be in strategic alignment. The spatial framework will need to be approved by unanimous vote of the members appointed by constituent councils of the Mayoral Combined Authority. This approach must not delay any Local Development Plans, and will build upon the local plans being developed.

    b. Create supplementary planning documents, subject to approval processes in paragraph 21a.

    c. Create Mayoral Development Corporations, which will support delivery on strategic sites in the Sheffield City Region. This power will be exercised with the consent of the Cabinet member in which the Development Corporation is to be used.

    d. Be consulted on and/or call-in planning applications of strategic importance to the City Region.

22. Sheffield City Region and HMG will continue to discuss the devolution of housing loan funds to a Spending Review timetable. Sheffield City Region intends to develop

further a proposition on a Housing Investment Fund, for discussion and development with HM Government.

23. HMG will work with Sheffield City Region to support the operation of the Joint Assets Board, and support better coordination on asset sales. This will include ensuring the representation of senior HMG officials on the Joint Assets Board, using that Board to develop as far as possible and consistent with the government's overall public sector land target, a joint programme of asset disposal using a portfolio approach, and to explore whether a right of first refusal for 28 days on all central government land and assets due for disposal can be developed that accelerates the pace of disposal. Through the Joint Assets Board, SCR and HMG will explore increased opportunities for using the public estate to generate low carbon energy.

## Transport

24. The directly elected Mayor of the Sheffield City Region Combined Authority will be responsible for a devolved and consolidated local transport budget for the area of the Combined Authority (i.e. the areas of the constituent councils), including all relevant devolved highways funding, with a multi-year settlement to be agreed at the Spending Review. Functions will be devolved to the Sheffield City Region Combined Authority accordingly, to be exercised by the Mayor.

25. The directly elected Mayor of the Sheffield City Region Combined Authority will by 2017 exercise functions, devolved to the Combined Authority, for the franchising of bus services in the area of the Combined Authority, subject to local consultation. This will be enabled through a specific Buses Bill, to be introduced during the first Parliamentary session, which will provide for the necessary functions to be devolved.

26. This will help to facilitate the delivery of integrated smart ticketing across all local modes of transport in the city region, working as part of Transport for the North on their plans for smart ticketing across the North. This includes the production of a regional implementation plan for smart ticketing which Transport for the North will put forward to government by Budget 2016.

27. Government remains committed to the development of Phase Two of the HS2 network and will announce the way forward on Phase Two later this year.

28. Government is committed to building a Northern Powerhouse and remains strongly committed to the work by Transport for the North to identify and present to government a prioritised list of scheme options for the TransNorth rail enhancement programme and options for strategic road investment, including options for a new TransPennine Road Tunnel, by Budget 2016.

29. Government, in consultation with Sheffield City Region, will continue to explore options to give Sheffield City Region Combined Authority more control over the planning and delivery of local transport schemes, particularly in preparation for HS2. This could include changes to the way that Transport and Works Act Orders are

granted, if practical proposals for improving and speeding up the process are identified.

30. The directly elected Mayor of the Sheffield City Region Combined Authority will take responsibility for an identified Key Route Network of local authority roads that will be collaboratively managed and maintained at a city region level by the Sheffield City Region Combined Authority across the areas of the constituent councils.

## Trade and investment

31. HM Government commits to strengthening support available for both trade and investment in the Sheffield City Region.

32. On co-location, HM Government will review the Inward Investment resource location of regional (IST) staff across the three levels of: Partnership Managers; Business development and Key Account Management teams, currently in 8 locations nationally. HM Government will also look at options for co-location, under UKTI/IST management, without harming the overall efficiency of the working of the investment model.

33. On governance, HM Government will set up a joint governance structure (or join an existing one), with quarterly meetings attended by a Director level representative from both UKTI investment and Sheffield City Region Combined Authority. These will provide a forum to discuss progress on co-location, and on account management activity by both parties in the region. HM Government will wherever possible also use this structure to review key decisions and initiatives planned and/or implemented by both parties, including building a better shared understanding of the inward investment opportunities available in the region.

34. On international links, HM Government will provide a strengthened partnership between locally delivered services and embassy/consulate contacts through project Matchmaker.

35. On the Great campaign, HM Government will explore what options exist for using a portion of GREAT campaign budget for overseas based activity aligned to Sheffield City Region sector strengths with delivery managed by UKTI Marketing teams with input and influence from Sheffield City Region Combined Authority. This activity should be supported by sector based resource in overseas posts who have been specially briefed to have a strong understanding of Northern Powerhouse and Posts who are Matchmaker partners for Sheffield City Region sector strengths.

36. HM Government will also work with Sheffield City Region to build attractive regeneration/ investment propositions.

37. On trade: HM Government will ring-fence trade services resource within Sheffield City Region, develop an agreed export plan with a dual key approach to activities and reporting on outputs and outcomes to Sheffield City Region. Ring fenced resource remains subject to departmental budget changes.

38. An export plan will be agreed between SCR and UKTI HQ which will allow SCR flexibility, such as a specific local sectoral focus for Passport to Export and mid-sized business schemes or a different mix of products.
39. HMRC will work with the Sheffield City Region Combined Authority to provide relevant trade statistics data, within existing data protection assurance frameworks and policies, to assist with understanding the City Region's export market.

## Innovation

40. The Advanced Manufacturing Innovation District, centred around the Advanced Manufacturing Park is a nationally important asset and already delivers growth through innovation, productivity and high value employment. The City Region has an ambition to make the District world-leading – attracting investment and major industry to the area.
41. To support this HM Government will offer the Sheffield City Region expert advice and support to ensure they are able to put forward a City Region led proposal to undertake a Science and Innovation audit. This work will enable an evidence based approach to deepen the understanding of the City Region's Science and Innovation strengths and provide a new and powerful way to understand how to maximise the economic impact from the UK's research and innovation investment nationally. They will, for example, provide government with part of the evidence base on which to make decisions on catapults and could be used to explore how to further the Sheffield City Region's advantage in advanced manufacturing.
42. HM Government will also offer Sheffield City Region Combined Authority dedicated workshops with the Smart Specialisation Advisory Hub to help areas identify their innovation strengths.
43. Through utilisation of the additional resources in the single pot it is expected that Sheffield City Region Combined Authority will bring forward a set of ambitious proposals to enhance the Advanced Manufacturing Innovation District.
44. The Sheffield City Region will work with HM Government to achieve their ambitions for a National Institute for Infrastructure within Doncaster. The Sheffield City Region will take forward discussions with HM Government to explore the potential for alignment of the new National College for High Speed Rail (NCHSR) based in Doncaster with the new Institutes of Technology to help meet a wider set of national infrastructure challenges.

## Business growth and support

45. HM Government agrees to continue to work with the Sheffield City Region to develop and implement proposals for a devolved approach to the delivery of national business support programmes from April 2017 onwards, subject to the

outcomes of the Spending Review, and in line with the Devolution Deal agreed in December 2014.

46. Government and the Sheffield City Region Combined Authority will agree a joint programme to create the right environment to drive the commercial rollout of ultrafast broadband. Government will also support the SCR Combined Authority to reinvest funds into creative solutions to supplying superfast broadband to the last 5%.

47. Building on the currently agreed Enterprise Zone geography, Sheffield City Region will receive additional Enterprise Zones and/or extension of existing zones, subject to the current bidding round for further Enterprise Zones.

48. The Sheffield City Region LEP has requested additional flexibility on the use of Enhanced Capital Allowances within its Enterprise Zones. The government is open to further discussion on this providing proposals are compliant with State Aid rules and are fiscally neutral.

## Fiscal

49. HM Government is committed to working with the Sheffield City Region Combined Authority to achieve Intermediate Body status for ERDF and ESF for the Combined Authority. HM Government will work with Sheffield City Region Combined Authority to test whether it will be possible to implement and if so, HMG and SCR will work together to agree a timetable to put this in place.

50. HM Government agrees to allocate an additional £30m per annum of capital and revenue funding for 30 years, which will form part of and capitalise the Sheffield City Region Combined Authority single pot. This will fund key City Region priorities and will be composed of 60% capital and 40% revenue. The fund will be subject to 5-yearly gateway assessments to confirm the spend has contributed to national growth.

51. HM Government will work with the Sheffield City Region Combined Authority to agree specific funding flexibilities to a Spending Review timetable. The joint ambition will be to give Sheffield City Region Combined Authority a single pot to invest in its economic growth. This pot will comprise a flexible, multi-year settlement providing the freedom to deliver its growth priorities, including the ability to re-direct funding to reflect changing priorities, whilst upholding their statutory duties. This local freedom will be over a range of budgets to be determined by SCR and HMG in the run-up to and beyond the Spending Review, including as requested the Regional Growth Fund or its equivalent successor. HM Government expects to disburse this agreed settlement to the Sheffield City Region annually in advance.

52. The Cities and Local Government Devolution bill currently in parliament will establish the principles which will govern further prudential borrowing for combined authorities. Following Royal Assent, central government will consider how these powers could apply whilst ensuring no fiscal impact.

53. HM Government will pilot a scheme in Sheffield City Region Combined Authority which will enable the area to retain 100% of any additional business rate growth beyond expected forecasts. These pilots will begin in April 2016, subject to further detailed discussions between the Combined Authority and HM Government. HM Government will also discuss wider localisation of business rates with the Sheffield City Region Combined Authority.

Under this geography:

54. The Mayor for the Sheffield City Region will be elected by the local government electors for the areas of the constituent councils of the Sheffield City Region Combined Authority. The Mayor and Sheffield City Region Combined Authority will exercise the powers and responsibilities described in this document in relation to its area, i.e. the area of the constituent councils of the Sheffield City Region Combined Authority.
55. Funding that is allocated to the SCR LEP, now and in the future, will continue to be allocated on the basis of the existing overlap formula.
56. Additional funding or budgets that are devolved as a result of this agreement will go to the SCR Combined Authority.
57. The Sheffield City Region Combined Authority must exercise functions in relation to its geographical area. Accordingly, if any of the Combined Authority spend is on activities of projects outside of its area, those activities or projects must in some way relate to the area – for example, be for the benefit of the area; they may also relate to some other area. The Cities and Local Government Devolution Bill, subject to parliamentary approval, can enable combined authorities such as the Sheffield City Region Combined Authority to take on a broader set of functions than economic development, regeneration and transport, dependent on secondary legislation.
58. Under the Mayor model, it is not expected that the role of the LEP or private sector be lessened.

Sheffield City Region Combined Authority commitments

59. The Sheffield City Region Combined Authority is accountable to local people for the successful implementation of the Devolution Deal; consequently, HM Government expects Sheffield City Region to monitor and evaluate their Deal in order to demonstrate and report on progress. The Cities and Local Growth Unit will work with the Sheffield City Region to agree a monitoring and evaluation framework that meets local needs and helps to support future learning.
60. Sheffield City Region Combined Authority will work with HM Government to develop a full implementation plan, covering each policy agreed in this Deal, to be completed ahead of implementation. This plan will include the timing and proposed

approach for monitoring and evaluation of each policy and should be approved by the DCLG Accounting Officer.

61. The Sheffield City Region Combined Authority will continue to set out their proposals to HM Government for how local resources and funding will be pooled across the city region.

62. The Sheffield City Region Combined Authority will agree overall borrowing limits with HM Government and have formal agreement to engage on forecasting. Sheffield City Region Combined Authority will also provide information, explanation and assistance to the Office for Budget Responsibility where such information would assist in meeting their duty to produce economic and fiscal forecasts for the UK economy.

63. The Sheffield City Region Combined Authority will agree a process to manage local financial risk relevant to these proposals and will jointly develop written agreements with HM Government on every devolved power or fund to agree accountability between local and national bodies on the basis of the principles set out in this document.

64. The Sheffield City Region Combined Authority will continue to progress programmes of transformation amongst authorities to streamline back office functions and share more services and data, including on assets and property.

65. The Sheffield City Region Combined Authority will continue to adhere to their public sector equality duties, for both existing and newly devolved responsibilities.

## Appendix B – Summary of progress made since the Proposal was made in October

| Element of the Proposal | Proposal text | Summary of progress made |
|---|---|---|
| **Overview– funding confirmation** | That all levels of funding are subject to the Spending Review (SR) | The £900m of additional funding committed by the Proposal was confirmed by the SR. The first year's payment of £30m will occur in April 2016, subject to the ratification of the Proposal by the constituent local authorities.<br><br>The allocations made to the SCR as part of the Growth Deal process (c£310m 2016-2021) were also confirmed through the SR. |
| **Overview– legislation** | The agreement was subject to the enactment of the necessary legislation (The Cities and Local Government Devolution Bill and the draft Buses Bill), and to parliamentary approval of the secondary legislation implementing the provisions of this agreement. | The Cities and Local Government Devolution Act 2016 (c.1) to received Royal Assent in January 2016. This includes Section 15 which provides greater flexibility for non-constituent councils.<br><br>It is expected that the draft Buses Bill will be published in February.<br><br>The SCR is working towards the submission of a non-statutory Scheme (i.e. a draft order for the secondary legislation) to the Secretary of State in June. |
| **Governance – mayoral model** | Details set out in paragraphs 3-5 of the Proposal regarding the Mayoral Combined Authority. | Since the Proposal was made, local leaders have been working with Government to agree a suitable Mayoral Combined Authority ("MCA") model, this includes working through the detail of:<br>• the functions, powers and duties of the MCA;<br>• the distribution of these functions between the CA and the mayor: the 'checks and balances' that would exist between the mayor and the CA;<br>• the relationship between constituent and non-constituent councils;<br>• the role of the Local Enterprise |

| Element of the Proposal | Proposal text | Summary of progress made |
|---|---|---|
| | | Partnership (LEP) within these arrangements; and<br>• other operational and constitutional details. |
| **Governance – mayoral voting rights on the CA.** | Proposals for decisions by the Combined Authority may be put forward by the Mayor or any Cabinet Member. The Mayor will have one vote as will other voting members. Any questions that are to be decided by the Combined Authority are to be decided by a majority of the members present and voting, subject to that majority including the vote of the Mayor, unless otherwise set out in legislation, or specifically delegated through the Authority's Constitution. | One concern raised by local partners since the Proposal was made was that the mayor could have a 'veto' over all CA functions. Following high-level discussions with ministers and senior civil servants, it has expressly been confirmed that this is not the case. The relationship between the CA and the mayor is a matter that can be dealt with through a refresh of the CA's constitution, and these arrangements would be owned locally by the MCA. |
| **Skills, employment and education – 19+ skills.** | Greater understanding of the readiness conditions for devolution set out in paragraph 11. | Ongoing discussions with BIS and the SFA around what constitutes the readiness conditions for full devolution of the 19+ adult skills funding.<br><br>Work on the Area Based Review has progressed and is due to be completed in April. |
| **Skills, employment and education – hardest to help pilot** | Sheffield City Region will develop a business case for an innovative pilot to support those who are hardest to help. The business case should set out the evidence to support the proposed pilot, cost and benefits and robust evaluation plans, to enable the proposal to be taken forward as part of the delivery of this agreement, subject to Ministerial approval. | SCR has developed an initial Business Case for this pilot, which was submitted to the Government in November. |
| **Housing and Planning – housing investment fund.** | Sheffield City Region and HMG will continue to discuss the devolution of housing loan funds to a Spending Review timetable. Sheffield City Region intends to develop further a | Sheffield City Region has continued to discuss this fund with government. This has been within a context that the SCR will not secure further devolved powers until it has ratified the current Proposal. |

| Element of the Proposal | Proposal text | Summary of progress made |
|---|---|---|
| | proposition on a Housing Investment Fund, for discussion and development with HM Government. | However, the SCR has continued to develop work making the case for what such a fund could represent in the SCR. |
| **Transport – devolved and consolidated transport budget.** | The directly elected Mayor of the Sheffield City Region Combined Authority will be responsible for a devolved and consolidated local transport budget for the area of the Combined Authority (i.e. the areas of the constituent councils), including all relevant devolved highways funding, with a multi-year settlement to be agreed at the Spending Review. | Based on the overarching budgets announced in the SR, allocations for areas with (proposed) Devolution Deals are currently being calculated. The SCR expects more information on this in February. |
| **Trade and investment – governance.** | On governance, HM Government will set up a joint governance structure (or join an existing one), with quarterly meetings attended by a Director level representative from both UKTI investment and Sheffield City Region Combined Authority. | The Regional Director of UKTI will attend quarterly meetings with the Business Growth Executive Board to address this issue. |
| **Innovation – Science and Innovation Audit.** | HM Government will offer the Sheffield City Region expert advice and support to ensure they are able to put forward a City Region led proposal to undertake a Science and Innovation audit. | Advice and support provided to the City Region to enable it to develop its proposal for a Science and Innovation audit. |
| **Innovation – smart specialisation.** | HM Government will also offer Sheffield City Region Combined Authority dedicated workshops with the Smart Specialisation Advisory Hub to help areas identify their innovation strengths. | Dedicated workshops on this issue have been organised for the City Region. |
| **Fiscal – ESIF.** | HM Government is committed to working with the Sheffield City Region Combined Authority to achieve Intermediate Body (IB) status for ERDF and ESF for the | Work has progressed and it is expected that the SCR will be able to make a decision in March as to whether it wishes to become an IB Body for the selection of ESIF Projects and the associated creation |

| Element of the Proposal | Proposal text | Summary of progress made |
|---|---|---|
| | Combined Authority. | of an ESIF Executive Board. |
| **Fiscal – single pot.** | HM Government will work with the Sheffield City Region Combined Authority to agree specific funding flexibilities to a Spending Review timetable. The joint ambition will be to give Sheffield City Region Combined Authority a single pot to invest in its economic growth. | Initial discussions held with HM Government on this joint ambition. SCR to provide greater details of the funding flexibilities it is seeking as part of the construction of its single pot. |
| **Fiscal – business rates.** | HM Government will pilot a scheme in Sheffield City Region Combined Authority which will enable the area to retain 100% of any additional business rate growth beyond expected forecasts. | SCR is currently working with HM Government to agree the baseline against which additional growth will be calculated. This pilot is expected to commence in April 2016 enabling the City Region to have some additional resources to invest in growing the local economy over the next four years. An approach is being developed, which will ensure that through local retention of Business Rate growth, all SCR districts can benefit financially and that all SCR councils are incentivised to grow their local economies. |

# SCR Devolution Consultation: results summary

Appendix C

**Summary**

This paper provides a summary of the results from the online consultation which enabled people, businesses and community organisations in Sheffield City Region (SCR) to have their say on the proposed SCR Devolution Agreement.

The survey included a number of open questions about the proposed Agreement, enabling respondents to offer written (ie. free text) comments, questions and thoughts without the limitations of tick box responses. The survey was also designed to be non-linear, ensuring that people could answer the questions that most interested them and ignore the ones that did not.

The online consultation ran from 2nd December 2015 to 15th January 2016 and attracted 245 responses from across SCR.

This report summarises the perspectives of respondents to each question in the survey. Whilst it is not possible to provide a statistically robust quantitative assessment of the results because of the qualitative design, the report offers a sense of how respondents from SCR feel about key elements of the proposed Agreement.

**Key trends and perspectives from the responses:**

- Positive support throughout for principle of stronger local control of decision-making
- Recognition of the impact that specific policy areas could have on SCR and the local economy
- Negative perceptions of the need for an elected mayor – mainly due to creation of additional bureaucracy; complexity with existing arrangements; outcome of 2012 city mayor referenda
- Real need for clarity about the geographical scope of the mayoral arrangement and powers, particularly for East Midlands districts
- Positive about potential for more devolution, particularly once the current set of proposals have been implemented. Suggestions are ambitious and radical including tax raising powers, all skills, public transport, education and health.

## Purpose

1. This report provides a summary of the results from the local consultation activity which sought the views of people, groups and businesses in Sheffield City Region (SCR) on the proposed SCR Devolution Agreement.
2. The report is predominantly based on the online survey as the main route for comments and contributions to the discussion but also builds in views from the wider consultation activity under the themes.

# Having your say on devolution: background and methodology

## Background

3. The proposed Devolution Agreement for Sheffield City Region stated that the policy and funding proposals in the Agreement were subject to the 2015 Spending Review, and to Sheffield City Region "consulting on the proposals and ratification from the local authorities"[1].

4. Following the announcement, SCR developed a programme of consultation to enable local residents, businesses and community organisations across the SCR area to have their say on the proposals.

5. This programme of consultation has generated a range of activities and contributions including from:

   - **Local residents** - large scale online survey for the public, businesses and representative organisations
   - **Business** - engagement with businesses including through the SCR Local Enterprise Partnership (SCRLEP); a Business Insider event with the Chambers of Commerce; and local business advisory panels
   - **Local democratic bodies** – including Overview and Scrutiny Committees; locality assemblies; a dedicated meeting of the SCR Scrutiny Board; and the SCR Combined Authority
   - **Partners and community organisations** – including detailed submissions from community organisations and the University of Sheffield's Crick Centre 'Citizens' Assembly' project[2]
   - **Direct correspondence** – in some instances, we have also received direct letters and emails from some residents and community organisations, including Sheffield Citizens Advice, Age UK, Cavendish Cancer Care, Sheffield Mencap, and Voluntary Action Sheffield.

## Online survey

6. The online survey was the main, large-scale form of consultation on the proposed Devolution Agreement. The survey was launched on the 2nd December 2015 and ran until the 15th January 2016.

7. The survey was supported by a dedicated SCR microsite which provided respondents with a range of information, explanations, FAQs and videos explaining both the concept of devolution and what the proposed Agreement could mean for SCR. The site also included a link to the full devolution document and testimonials from leading SCR politicians, business leaders and academics.

**Fig 1: SCR Devolution Survey**

**Fig 2: SCR Devolution microsite**

[1] HMG (2015) *Sheffield City Region Devolution Agreement*, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/466616/Sheffield_devolution_deal_October_2015_with_signatures.pdf

[2] University of Sheffield's Crick Centre (2016) *Citizens' Assembly North*, http://citizensassembly.co.uk/home-page/sheffield/

8. The survey was widely publicised across the City Region, including activities by all nine local authorities and coverage in the local (eg. local papers), regional (eg. Yorkshire Post; BBC Look North) and national media (eg. BBC News website). The survey link and microsite was also regularly promoted through social media channels by councils, SCR Combined Authority and partner organisations.

9. The main purpose for the survey was to enable people and organisations across SCR to give their unrestricted views on the SCR devolution proposals and not limit people's responses with structured quantitative questions (ie. tick box). Therefore, the survey was purposefully designed to be:

   - **Open-ended** – the survey questions enabled people to give qualitative (ie. written word/free text) answers rather than ticking boxes
   - **Non-linear** – which means that people could answer the questions that interested them and ignore the questions that didn't interest them

10. The survey asked people about their views on devolution proposals for SCR as a whole and therefore it was decided not ask respondents which part of the City Region they lived in. The survey did, however, ask respondents what they thought the impact of the devolution proposals would be on their life and where they lived.

## Who responded?

11. In total, there were **245 responses** from across Sheffield City Region. As **Fig 3** shows, respondents are broadly representative of the working age population of the City Region with some over-representation of people aged 40+. However, very few people aged under 25 responded to the survey.

12. **Fig 4** demonstrates that the majority of responses were from local residents (82%) with a further 10% from businesses and 6% on behalf of community and interest groups in the City Region.

13. Respondents were overwhelmingly male with 170 (73%) men responding to the survey compared to 62 (27%) women.

14. Respondents were predominantly (95%) from a White British ethnic heritage and that group were slightly over-represented compared to the 16+ population of SCR. Similarly, respondents from a Black and Minority Ethnic (BME) background were under-represented compared to the local population and indeed, very few people from BME backgrounds actually responded to the survey.

**Fig 3: Consultation respondents by age**

**Fig 4: Consultation respondents by type**

**Fig 5: Consultation respondents by ethnic heritage**

[3]

## Survey results

15. This section provides an overview of the views offered by respondents in SCR about the proposed Devolution Agreement. As suggested elsewhere, the survey was not designed to produce numerical or quantifiable results but rather to give people, businesses and community organisations the opportunity to comment and have their say on the devolution proposals.

16. Therefore, responses were written in free text and this report aims to provide a summary of the key themes and issues raised by respondents by question based on the key words and comments made. Where possible or appropriate, the report also attempts to offer a perspective as to whether the tone of the responses received to a particular question were positive, negative or mixed. This is not intended to be statistically robust but is a relatively simple way of summarising a large number of written responses.

### Do respondents want more information about the Devolution Agreement?

***"The Sheffield City Region Devolution website provides lots of information about the powers, resources and implications for local areas of the in-principle devolution deal. Is there anything else you would like to know?"***

17. This question enabled people to comment on the information that was provided to respondents on the SCR devolution microsite and areas about which they would like to receive more information.

18. The areas which respondents would like more information on from the 79 responses to the question predominantly relate to four main themes:

- **Accountability and decision making** – respondents clearly would like to understand more about the proposed new democratic arrangements in SCR. In particular, respondents want more information about the democratic process for the proposed directly elected mayor (eg. who can vote?); how decisions will be made under the new structures; the transparency of those decisions; and how the public can get involved and engaged in future decision making.

- **Powers and money available** – respondents clearly know more about what the devolved powers will mean for the City Region and for the specific areas within SCR. This includes more information about the amount of new money SCR will receive; whether there are guarantees to and specific requests for more information about the impact of the Devolution Agreement on specific policy areas (predominantly transport/infrastructure; planning).

- **Geography** – there were specific references to places within SCR with requests for more information about what the proposed Devolution Agreement means for that area; whether there are different arrangements for the non-SCR districts; and implications for the wider local geography (eg. the county councils and Yorkshire).

[3] Population comparison data from Census 2011, ONS.

- **Transition** – there were also comments about process of moving to the proposed mayoral combined authority arrangements, particularly the potential costs of such a move and whether such a move could be reversed.

"I'd like to know more about how exactly the mayor, will be voted for. Specifically in terms of the voting system used and (if applicable) any boundaries / zones used as part of this".

"How do communities become directly involved in these opportunities? Economic development will need to be accompanied by meaningful community development to support our poorest communities".

"How much of the money will actually trickle down to benefit directly Chesterfield residents lives"?

## Perspectives on the concept of devolution to city regions

***"Do you have any views on whether local areas like the Sheffield City Region should be given more powers and resources from national government to run local transport systems, create more businesses and generate more jobs?"***

19. This question asked respondents about their views on devolution and whether powers should be devolved down to local areas from central government to deliver locally-focused outcomes.

20. Analysis of the responses received show that respondents' perspectives on devolution are reasonably split with around a third of comments being positive and a fifth being more negative. The main reasons given for these firm perspectives were:

- **Positive** – strong support for the principle of greater local control over decision making, particularly in order to improve transport, public services and bring decision making closer to local voters
- **Negative** – a lower number of responses were strongly negative but the main concerns were about the proposed elected mayor; the geographical scale of the proposed model (preference for Yorkshire) and public engagement and transparency in relation to the proposed Devolution Agreement.

21. In some ways, the summary statistics to this question are unhelpful because they mask the large number of comments made which are generally supportive of the principle of devolution but that support is caveated by a number of concerns about devolution to SCR (hence 'mixed' views). These reservations predominantly fall under a small number of common themes:

- **Governance and geography** – concerns about the potential for new layers of 'bureaucracy'; preference for a wider Yorkshire geography; whether the public and the private sector will be fully involved in decision making; and questions about how much real autonomy SCR will have
- **Local decision making capacity** – concerns about the track record and ability of places in SCR to work together and make the decisions to maximise the benefits for the whole of SCR
- **Government's motivations** – some respondents questioned whether Government would really devolve power and whether devolution would just lead to more cuts
- **More powers** – suggestions that the proposed agreement could go further, particularly involving more funding.

"The Chamber is strongly in favour of devolving power from the centre to regions and localities".

"Transport should be left to local government and look to bring in manufacturing businesses, take over adult education for skills in the work place, create more work especially for young adults as well as those who are older and have been made redundant"

"I think the region should get more resources as historically such deals have tended to benefit London to the detriment of the Northern regions in particular.
My concern about devolved power is that it is fine and funded in the early years but then cut back severely through efficiency savings after introduction becoming a tool for central government to further cut local expenditure.

## Reflections on the specific policy themes within the proposed Devolution Agreement

22. The online survey included a section of questions which enabled respondents to offer their views on the specific policy themes contained within the proposed Devolution Agreement for SCR. As the survey was non-linear, people could choose to respond to all these areas or just the ones that interested them.

23. Respondents were encouraged and directed to read the content of the proposed Devolution Agreement and the SCR microsite before answering these questions.

24. The table below (**Fig 6**) provides a summary of the main comments by policy theme. While responses to each questions largely related to the respective policy theme, several common areas were present across all themes which are worth reflecting on and may need to be addressed if the proposed Agreement is finalised. These themes were:

- **Recognition of the opportunity** – across all the policy themes involved, a number of respondents made comments and statements which recognised what the a particular power might bring to the SCR economy
- **Awareness and understanding** – building on the question earlier in the survey, the policy theme questions demonstrate that SCR need to improve awareness and understanding of how any new powers will work; what the ultimate aim/outcome is intended to be; and how decisions will be made to deploy the new power.
- **Local capacity to deliver** – possibly related to the challenges around awareness and understanding, there is a consistent challenge from respondents about whether SCR can manage the proposed new powers in a way that supports the SCR economic strategy and all the districts within SCR.
- **Geography** – as elsewhere, a number of people raise questions relating to geography both in terms of whether all places in SCR will receive the benefits of any devolution arrangement and whether a larger geography (ie. Yorkshire) might be more appropriate.

**Fig 6: policy theme questions – summary of responses**

| Theme | Summary of responses |
|---|---|
| **Employment, skills and education**<br> | • Respondents were largely positive about focusing on skills for employment<br>• The main concern was around the lack of control over apprenticeships and 16-18 education<br>• Some concern over whether skills and jobs will be available across the SCR areas or whether the big urban areas will dominate, particularly at the expense of rural areas.<br>• There is also a feeling that a focus on manufacturing jobs would be beneficial<br>• Importance of progression through training system (ie. to ensure people continue to develop)<br>• Some concerns about quality of existing provision in SCR and whether devolved |

| | |
|---|---|
| | control will improve this |
| **Transport**<br> | • A similar proportion of respondents made positive and negative comments in this area, but the majority either made no comments or didn't indicate a whether they agreed with the current plans or not.<br>• Improved links with the wider area, including Yorkshire and Trans-Pennine<br>• Some support for bus franchising and 'TfL powers'<br>• A lot of concern for rural public transport and need for public transport to be affordable<br>• Comments expressing that the HS2 issue in SCR needs to be resolved<br>• A number of positive comments about the prospect of smart-ticketing<br>• A feeling that public transport needs to be much more integrated (ie. with other modes of transport in SCR) and with wider planning (housing, infrastructure) |
| **Financial**<br> | • As with transport, more than half of respondents were not clear whether they feel positively or negatively about the proposals in this area. Almost a quarter of respondents made negative comments, with only one in ten making comments that were supportive of the proposals.<br>• Some recognition of the need to be able to invest for the long term<br>• A consistently emerging theme is scepticism about ability to manage these decisions locally.<br>• Concern that £30m over 30 years is not enough annually and will not replace the money that has been lost through budget cuts<br>• Concerns about how the money will be managed and whether all areas will benefit (eg. SY or all SCR districts; urban v rural) |
| **Business growth**<br> | • Fewer numbers of respondents provided answers to this question, possibly reflecting that the great majority of respondents were individual residents of SCR who may not use business support services.<br>• Supportive comments focused predominantly on the opportunity to support smaller businesses in SCR, the attraction more businesses/investment, and closer alignment with national programmes (eg. UKTI).<br>• There were some contrasting views about the focus for business report, including whether there should or should not be a focus on key locations (eg. M1 corridor; AMRC etc)<br>• Commonality with other questions about the ability of SCR councils to manage business support effectively. |
| **Housing and planning**<br> | • Of those who made comments, more respondents gave negative views than positive.<br>• The main area of positivity was around the prospect of better regional planning, particularly linked to plans for wider infrastructure.<br>• The lack of new social/affordable housing was a common area of challenge from respondents<br>• Clear concerns about where development occurs. A number of respondents argue for protection of the Green Belt in SCR and the focus should be on brownfield land. |

## Views on the proposed directly elected mayor

***"The Government has made it clear that in return for more powers and resources to be devolved to the Sheffield City Region the Sheffield City Region Combined Authority will have to agree to the creation of directly-elected Mayor who will work in partnership with local politicians and the private sector. What are your views on this?"***

25. The development of the directly elected city region mayor model by Government through the most recent Devolution Agreements has generated headlines and therefore increased public awareness. While respondents could choose which questions to answer, only around 10% failed to actually address this question, possibly reflecting the importance of the issue to local people.

26. Respondents are predominantly more negative of the proposal for an elected mayor in SCR than they are elsewhere about devolution or the specific policy themes. Reasons given for concerns about the mayoral model are wide-ranging but areas which attract greatest concern are:

- Concern about the perceived financial cost and an increase in bureaucracy with an additional tier of governance
- Sense that Sheffield voted not to have an elected (city) mayor in the referendum of 2012 and potential confusion with the existing Mayor of Doncaster
- Concern about the executive power that any elected mayor may have over the City Region, with particular reference to the mayoral 'veto' over policy decisions
- The threat to the City Region of having a poor quality candidate (*and conversely, the importance of getting high calibre candidates*). Many people suggested that the mayoral role should not be a party political one
- Concerns about the electoral geography, with some respondents suggesting that the mayor should cover the whole SCR; some fearing the implications for areas in SCR that do not vote for the mayor; and others not wanting to be part of the mayoral geography
- A number of references to the imposition of the mayoral model by Government

27. As suggested by the statistics above, there were positive views expressed about the potential for mayoral leadership in the SCR, with respondents particularly focusing on the potential for a single figurehead for decision-making in SCR as long as the right powers are available.

"This will confuse the political landscape - why still have a PCC? Why not pool more Council functions, such as Heath and Social Care, School Improvement etc?"

"Mayor through the back door. I voted on this and said no in 2012! Why is this being forced through?"

"If we have a Mayor it is important that we all get a vote across the region".

"Why should we be forced into having a mayor? Would the mayor be the mouthpiece for the Govt? If a mayor would be of benefit then there needs to be more transparency and accountability and no over-all power."

"I agree with the idea of a directly elected major as it would provide a recognisable figurehead, greater direct accountability and potentially more effective decision making"

"There are examples elsewhere in the UK of good and bad mayors. As long as the Region can galvanise enough interest in the election of the Mayor to ensure that whoever is elected understands the needs of the Region, it should be a good thing. hopefully having one point of contact will also enable projects to get started more quickly, rather than being stuck in red tape."

## Benefits of the proposed Devolution Agreement

*"What do you think the main benefits of the devolution deal are for you/your area?"*

28. Over half of respondents made positive statements about the potential benefits of the proposed Devolution Agreement for them or their local area. Around a third of respondents felt there were unlikely to be any benefits.

29. The main areas that respondents cited as being benefits were:

    - The ability to make faster, locally-focused decisions is seen as positive, with the ability to be more flexible and deliver change more quickly.
    - Stronger local accountability and local influence over decisions to focus resources to the places that need it in SCR
    - Business growth and jobs are seen as potential benefits
    - Improvement to public transport, bus regulation and the introduction of smart-ticketing.

30. The negative comments were either due to scepticism about the whole devolution process or a lack of clarity about what the benefits are, something which needs to be considered if the Devolution Agreement moves forward. Further, this area raised questions about what the benefits will be for places within SCR, particularly the districts in the North Midlands and whether the Devolution Agreement will create confusion over who provides services in the area.

**"Clearly there a number of benefits around skills, infrastructure, business support etc. that will support economic growth and that are very welcome… It is what the LEP / region does with the deal that will excite business rather than the paperwork. Additionally, the LEP / region must remain challenging to government as - in the grand scheme things - SCR and the North is still short changed by Government and the Northern Powerhouse remains a nice brand with little substantive policy behind it."**

**"More control over local transport, communications and business development"**

**"None at present as local identity will be confused. There could be benefits from Yorkshire wide strategic services like police, education and health etc".**

## Further devolution to SCR

31. The final questions looked at firstly whether SCR's Leaders should look to receive more devolved powers from Government and if so, what powers they should seek.

*"Do you have any views on whether Sheffield City Region Leaders should try to secure more powers and devolution in the future?"*

32. Approximately 40% of respondents felt that SCR should try to secure more powers and devolution in the future; 20% felt they should not. Respondents were notably keen for the current and proposed devolution proposal to bed-in before further powers are devolved to SCR.

33. The majority of the comments against further devolution were either fairly blunt (ie. "*no*") this this question in particular led a number of respondents to suggest devolution as part of a wider geography (eg. Greater Yorkshire; English Parliament).

**"The region's leaders should tell Central Government to stop fiddling and keep their noses out".**

**"They should unite with the rest of Yorkshire under an elected assembly and take powers over education, transport, energy and industrial policy."**

**"Earn the confidence of citizens, business and Central government and then yes of course seek to improve other things not within the current remit"**

*"What further powers and resources to achieve our vision for growth, if any, should be devolved to the City Region?"*

34. Where respondents chose to respond to this question, there were a broad range of suggestions for what additional powers SCR may seek from Government. Suggestions included:

- **Education**
- **Under-19s skills ("all skills")**
- **Housing**
- **Police and emergency services**
- **Dedicated investment**
- **Arts and culture**
- **Public transport based on the TfL model**
- **Railways**
- **Tax setting and tax raising powers**
- **Air quality / clean air zones**
- **'Manchester model'**
- **'Scottish model'**

35. There were a number of additional comments from respondents who commented that additional powers should be devolved but to a Yorkshire or Greater Yorkshire geography.

**STANDARDS COMMITTEE**
**Thursday, 14th January, 2016**

Present:- Councillor Beck (in the Chair); Councillors Alam, Hughes, Pitchley and Taylor, along with Parish Councillors Bates, Rowley and Swann and also Ms. A. Dowdall, Mr. P. Edler, Ms. J. Porter and Mrs. C. Saltis.

Apologies for absence were received from Councillors Beaumont, Finnie and Fleming.

**(THE CHAIR AUTHORISED CONSIDERATION OF THE FOLLOWING URGENT ITEM IN ORDER TO PROGRESS THE MATTER FOR FULL COUNCIL)**

**30. REQUEST FOR A DISPENSATION FROM THE REQUIREMENTS OF THE CODE OF CONDUCT**

Consideration was given to the report circulated which detailed a request for a dispensation in respect of all affected members in relation to an anticipated motion to be discussed at the Council meeting on the 27th January, 2016.

The motion was in relation to the Trade Union Bill which was being considered by Parliament. There was the potential that members who were Trade Union members or those that had received financial support from Trade Unions would be required to declare the interest and not participate in the debate.

The circumstances on which the Standards Committee may grant a dispensation were outlined which must specify the period for which the dispensation had effect and must not exceed four years.

Having regard to the circumstances the Standards Committee were in agreement in granting a dispensation under Section 33 of the Localism Act.

Resolved:- (1) That the request for dispensation be approved.

(2) That the grounds on which the dispensation was approved related to the fact that without the dispensation the number of persons prohibited from participating in the particular business would be so great a proportion of the body transacting the business that it would impede the actual transaction of the business.

**31. MINUTES OF THE PREVIOUS MEETING HELD ON 10TH SEPTEMBER, 2015**

Consideration was given to the minutes of the meeting held on 10th September, 2015.

With regards to Minute No. 22 (Outcome of the Standards Hearing Panel) it was noted the Parish Council in question had considered the recommendations of the Standards Hearing Panel and had agreed to formal censure the Parish Councillor concerned, but had not upheld the recommendations in respect of removal from outside bodies or sub-committees.

Resolved:- That the minutes of the meeting held on 10th September, 2015 be approved as a correct record.

**32. MINUTES OF THE STANDARDS COMMITTEE WORKING GROUPS HELD ON 1ST OCTOBER AND 19TH NOVEMBER, 2015**

Consideration was given to the minutes of the Standards Committee Working Group on 1st October and 19th November, 2015.

The Chairman confirmed the final report was submitted to Council on the 9th December, 2015 and was approved. He wished to place on record his thanks and appreciation to all those involved in this good piece of work.

Resolved:- (1) That the contents of the minutes held on 1st October and 19th October, 2015 were noted.

(2) That all those involved with the work of the Standard Committee Working Group be thanked for their support and input.

**33. UPDATE ON THE HANDLING OF COMPLAINTS OF POSSIBLE BREACHES OF THE CODE OF CONDUCT FOR MEMBERS**

Consideration was given to the a report presented by Stuart Fletcher, Service Manager, which provided an update on the handling of complaints relating to breaches to the Code of Conduct and the subsequent steps taken, which included:-

- A complaint was received that a Borough Councillor had not followed appropriate procedures in a Council meeting, by not passing a resolution excluding press and public from the meeting. The complainant alleged that the member had thereby breached the Code of Conduct by bringing the officer of Councillor or the Council into disrepute.

  Representations were received by the member in question and relevant documentary evidence was examined.

  The views of the Independent Person were taken. He felt that on the balance of probabilities the appropriate resolution was passed. The Monitoring Officer considered these views and concurred with this conclusion and taking all of the circumstances of the complaint into account, decided that the complaint should not be investigated further. The complainant and member have been informed of this

decision.

- A complaint was received that a Parish Councillor made a derogatory comment that Standards Committee proceedings which he had been subject to were "a shambles" and a "kangaroo court".

  The matter was referred to the Independent Person for his views who felt that there was little doubt that the words had been said, but that the Parish Councillor was acting in his personal capacity at the time and therefore the Code of Conduct was not invoked.

  The Monitoring Officer concurred with this view and, therefore, the Complainant and Parish Councillor were written to informing them of this decision.

- A complaint was received from a member of the public that a Parish Councillor was rude and threatening to him in a Parish Council meeting. The views of the Independent Person were requested and after reviewing the relevant evidence, which included listening to a recording of the relevant Parish Council meeting, he concluded that there had been provocation of the Parish Councillor by the Complainant and that the remarks were made under duress.

  As such the Independent Person felt that due to the circumstances of the case there should be no further investigation.

  The Monitoring Officer concurred with this view and complainant and the Parish Councillor were written to informing them of this decision. The complainant had subsequently submitted further information in relation to this matter and asked that the issue be reviewed. Further the complainant had submitted a further complaint in relation to the same Parish Councillor and the Monitoring Officer was liaising with the complainant to try to fully establish the relevant issues in that matter. A further update on these matters would be provided at the next meeting.

- A complaint had been received that a Parish Councillor called a member of the public corrupt in the presence of a number of other Parish Councillors and members of the public.

  The views of the relevant Parish Councillor have been sought, but none have been provided as yet. The details of the complaints have been forwarded to the Independent Person for his views as to whether further investigation of this matter is appropriate. A further update would be provided to the Committee at the next meeting.

- A complaint had been received that a Councillor made inappropriate comments on a social network.

The views of the member were obtained and he stated that his comments were an error of judgement and that he was prepared to apologise to the complainant.

A letter of apology was sent by the member to the complainant. The issues concerning the complaint were discussed by the Monitoring Officer with the relevant member and the importance of the principles stated within the Code of Conduct reiterated.

As such the Monitoring Officer considers this matter to be concluded and the relevant Member and complainant have been informed of this decision.

Discussion ensued on the nature of some of the complaints and comments passed on the contempt and little regard to the Code of Conduct by some, the offensive nature of some of the remarks, when it was deemed someone was acting as an elected representative, expectation and reasonableness of behaviour and the credibility of the recommendations by Standards Hearing Panels.

The Committee noted the actions taken by a Parish Council following recommendations by a Standards Hearing Panel and expressed some concerns about precedents being set. However, it was noted that should further complaints be received, each would be considered on individual merits and Standards Hearing Panels convened when deemed necessary.

Resolved:- (1) That the steps taken to resolve the complaints be noted.

(2) That the resolution of the complaints which have now been concluded be noted.

(During the course of this item Councillor Beck vacated the meeting and Councillor Hughes assumed the chair)

**34. PROPOSED STANDARDS AND ETHICS COMMITTEE WORK PLAN 2016**

Consideration was given to report presented by Stuart Fletcher, Service, Manager, which proposed the Work Plan for the Standards Committee for the year 2016.

In terms of the updates required it was suggested that the Training Plan be submitted for consideration at the September meeting rather than in March given the possibility of changes following the election in May, 2016.

It was also noted that general complaints were not included as part of the work plan as these were already considered elsewhere.

Resolved:- That the proposed Work Plan be approved, subject to any further amendments made by the Committee.

**35. DATE AND TIME OF NEXT MEETING - THURSDAY, 10TH MARCH, 2016 AT 2.00 P.M.**

Resolved:- That the next meeting of the Standards Committee take place on Thursday, 10th March, 2016 at 2.00 p.m.

**AUDIT COMMITTEE**
**Wednesday, 10th February, 2016**

Present:- Councillor Wyatt (in the Chair); Councillors Cowles, Ellis, Evans, Hughes and Bernard Coleman (Independent Person).

Debra Chamberlain (KPMG) was in attendance.

Councillor D. Roche was in attendance for the Adult Services Risk Register and the Public Health Risk Register items.

**46. QUESTIONS FROM THE PRESS AND PUBLIC**

There were no members of the press or public present at the meeting.

**47. COUNCILLOR S. ELLIS.**

Councillor K. Wyatt welcomed Councillor S. Ellis to her first meeting of the Audit Committee. She had recently joined the Committee to replace Councillor S. Alam.

**48. MINUTES OF THE PREVIOUS MEETING HELD ON 24TH NOVEMBER, 2015**

Consideration was given to the minutes of the meeting held on 24th November, 2015.

Resolved:- That the minutes of the previous meeting be approved as a correct record for signature by the Chairman.

**49. RISK BASED VERIFICATION AND ELECTRONIC CLAIMS POLICIES**

Rachel O'Neill, Customer and Cultural Services, submitted a report proposing the adoption of a Risk Based Verification Policy and Electronic Communications Policy which would allow the Council to streamline the administration of Housing Benefit and Council Tax Reduction claims. Customers would be encouraged to submit their applications for Housing Benefit and Council Tax Reduction electronically.

The Department for Works and Pensions had piloted Risk Based Verification with a small number of local authorities in 2011. The scheme's approach concentrated on the risk profile of each claims, enabling Council resources to be targeted at high risk claims where there was more likelihood of fraud and error and enabling low risk claims to be streamlined and fast tracked. The pilots were successful and in November, 2011, the DWP confirmed that all councils were able to adopt Risk Based Verification on a voluntary basis. It was now used in many areas of public serve as well as by businesses in the commercial world sector.

The Authority's current process for requesting and verifying evidence had been in place for some time and required every customer to submit the same amount of evidence irrespective of their circumstances. This was costly, inefficient and burdensome on the customer and could result in delays in receipt of benefit.

Changing the verification policy, supported by electronic submission of new benefit claims and changes in circumstances, would help to streamline the processes, improve accessibility, reduce the cost of administering claims and help target fraud and error.

The DWP required any council wishing to adopt risk based verification and electronic claims processes to have local formally approved policies in place.

A specialist IT system would be purchased to support the implementation of risk based verification which would be integrated with an electronic claim form and the Authority's existing benefit assessment systems. The estimated cost of the ICT system was £25,000 per annum. Funding for the project had been identified within the approved Customer Access Delivery Plan 2015/16 and would be met from available DWP Welfare Reform and New Burdens grant monies in year 1. Revenue costs from 2017/18 would be funded from Library and Customer Services revenue budgets.

An online benefit claim form had been developed and fully tested with customers. The form would enable evidence to be uploaded online removing the need for the claimant to visit Council premises. 'Assisted digital' processes would also be introduced for those customers who were unable to access online services. The online process would still be followed in those cases but would be completed on the customer's behalf by a Council representative or partner either by telephone or face-to-face visit.

Discussion followed on the proposed system: -

- Bernard Coleman asked what level of monitoring was undertaken on the low risk applications, which represented the majority of applications? – Officers could not downgrade a risk and internal quality assurance within the Team was ongoing, a minimum 10% sample each year. An annual external audit was undertaken. The tool was well-tested and used by DWP.

- Councillor Hughes asked whether any electronic transactions were currently used? None – currently all were paper based. It was anticipated that 55% low-risk customers would use the on-line tool.

- Councillor Ellis referred to the purchase of IT solutions and asked whether there was available and sufficiently tested bespoke

software on the market? Soft market testing had been undertaken and identified three key suppliers who could provide what was needed. The policy would be adopted before any tender was issued.

- Councillor Ellis asked what safeguarding would be in place to ensure that vulnerable clients would be supported to use the online tool and not feel forced into it? There were no differences between online and paper based methods in terms of questions or requirements. The Council needed to be clear that it had given applicants all relevant information. Where applicants had been helped to fill in the online questions there was the option to give the individual full copies of the information submitted. There was a tick box to indicate when the form had been filled in on an applicant's behalf.

- Councillor Hughes asked how many applications were annually processed? There was an overall caseload of 28,000 applications and in the previous year new applications amounted to just under 6,000. This was dependent on factors in the Borough and the local economy. The annual caseload was between 25,000-35,000 individuals, to the value of £90m.

Resolved:- (1) That the adoption of the Risk Based Verification Policy and Electronic Claims Policy be supported.

(2) That the report be referred to the Cabinet and Commissioners decision making meeting for adoption.

(3) That a six-month review of this process be considered by a future meeting of the Audit Committee, including an exceptions report.

**50. PROGRESS ON RECOMMENDATIONS/ISSUES RAISED IN THE ANNUAL GOVERNANCE STATEMENT 2014-15**

Colin Earl, Director of Finance and Corporate Services, presented a report providing an update on the progress of addressing the weaknesses reported in the 2014/15 Annual Governance Statement (AGS).

The 2014/15 AGS had reflected the exceptional circumstances applying to the Council during the year. The actions emanating from the Jay, Casey and Ofsted reports were included in the Corporate and Children's Improvement Plans progress of which would be reported respectively to the Joint and Children's Improvement Boards and would be summarised in the 2015/16 AGS.

The AGS had also included other significant issues arising from the annual assessment of governance arrangements. The Audit Committee's Prospectus included a review of progress in implementing the issues prior to the process for producing the 2015/16 AGS. The issues/updates were

as follows:-

- A failure to effectively commission and manage the delivery of school improvement activity
  Funds were now formally devolved to schools in line with delegated budget arrangements and schools determined the extent to which they wished to buy-in improvement support, the processes for doing so and the demonstration of value for money. These arrangements should ensure compliance with procurement and Financial Regulations in subsequent financial years.

- Inadequate arrangements for taxi licensing
  The assessment of all existing licence holders against the 'fit and proper' person was virtually complete. As a consequence, a number of taxi drivers had had their licences revoked.

  The new Safeguarding Policy covering Hackney Carriages and Private Hire vehicles had also been implemented with over 85% of drivers now having received safeguarding training.

- Inadequate arrangements for minimising the risk of harm to Looked After Children when transport arranged outside of the Council's Home to School Transport contracts was used.
  New protocol in place to direct CYPS to a single operator that held the biggest number of Home to School transport routes and had the greatest experience of special needs children.

  Task and Finish Group had been established to look further at transport provision for Looked After Children and determine further actions/measures to be taken.

- Weaknesses in arrangements for ensuring contractors were effectively and consistently assuring the safety of tenants when carrying out gas servicing works on behalf of the Council.
  The Council's Gas Supervisor now more directly monitored projects involving gas installations to ensure appropriate assurance checks were undertaken. The Council had also appointed an independent gas auditor and implemented his recommendations.

  The Gas Supervisor had also undertaken practical steps including meeting contractors on site and attended 'tool-box' talks to emphasise the Council's priority in relation to safety and minimise the risk of incidences occurring.

  There had been no RIDDOR reportable incidents since the enhanced arrangements.

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

(2) That, following the conclusion of the Task and Finish Group relating to

Looked After Children's Transport provision, a report be presented to a future meeting of the Audit Committee.

## 51. EXTERNAL AUDIT GRANTS REPORT

Consideration was given to a report presented by Derek Gaffney, Chief Accountant, and Debra Chamberlain, KPMG, which advised the Audit Committee of the matters arising from the external audit of the Council's 2014/15 government grants and returns.

The report provided a summary of KPMG's key findings from the certification work they have carried out in 2014/15.

The main findings were:-

- KPMG were required to audit three claims and returns in 2014/15 with an aggregate value of £112 million and issued a qualification certificate for one return and unqualified certificates for the remaining two grants and returns.

  The Housing Benefit Subsidy claim was subject to a qualification letter and unqualified conclusion for the Teachers' Pension Agency Return and Pooling of Housing Capital Receipts Return. No adjustments were necessary to the Council's grants and returns as a result of the certification work.

  KPMG have commented that this grant was a very complex and high value grant and the relatively low number and value of amendments/qualification issues represented good performance at preparing this grant claim relative to other local authorities.

- The Council had good arrangements in place to ensure the efficient and effective preparation and submission of claims and returns and which supported the audit process. In particular, working papers were of a good standard and officers responded promptly to audit queries.

KPMG recognised that the Council continued to maintain the high standard achieved in recent years and had good arrangements in place to ensure the efficient and effective preparation and submission of claims and returns which supported the audit process. In particular, working papers were of a good standard and officers responded promptly to audit queries.

The indicative fee for KPMG's work on the Council's 2014/15 Housing Benefit Subsidy was set by Public Sector Audit Appointments at £16,120. The actual fee for the work was £20,663 due to additional time incurred to re-perform CAKE testing. The additional fee was subject to Public Sector Audit Appointments' approval.

Councillor Ellis asked about incorrect classification of vulnerable claimants as per section 3.2.5? None of the claimants had suffered any financial loss.

Resolved:- (1) That the External Auditor's report be noted.

(2) That, whilst the fees had increased for carrying out grant certification work due to additional testing requirements, the Council had sustained good performance in both preparing and submitting its 2014/15 grant claims and returns.

**52. FINAL ACCOUNTS CLOSEDOWN ARRANGEMENTS AND REVIEW OF ACCOUNTING POLICIES**

Simon Tompkins, Finance Manager, reported that under the Accounts and Audit Regulations 2015, with effect from 2017/18, unaudited financial statements would have to be published by the end of May and audited financial statements by the end of July as opposed to the current arrangements of June and September respectively. The challenge for local authorities would, therefore, be to achieve the shorter reporting timetable whilst maintaining financial statements of good quality.

The new deadlines represented a major challenge for all local authorities and would necessitate adoption of radically different approaches if the tighter deadlines were to be achieved. It would entail having to re-engineer processes to:-

- Better align in year and end of year reporting processes
- Bring forward work wherever possible
- Place greater reliance on the use of estimates
- Automate or streamline processes wherever possible

The various workstreams would be brought together and project managed over the next two years using the closure of the accounts in 2015/16 and 2016/17 as trials.

Steps being taken this year included:

- Identifying barriers to faster closure so that solutions can be found in 2016/17, and

- Removing non material disclosure from the financial statements

KPMG's views would be sought to get their assurance that the new processes and techniques being developed are satisfactory from an external audit perspective.

Officers would also look to work collaboratively with other Finance colleagues across South Yorkshire to share best practice and resources.

The Local Audit and Accountability Act 2014 conferred on local electors the right to inspect the accounting records, books, deeds, vouchers, contracts, bills and other documentation relating to the financial year in question. It also gave them the right to question the auditor about the accounting records or make a formal objection on a matter of public interest or because they thought an item of account may be unlawful. Previously, local electors were given at least twenty working days to inspect the accounting records up to the date appointment by the external auditor from which questions or objections could be made. Under the Accounts and Audit Regulations 2015, this was now thirty working days commencing the day after the unaudited accounts had been published. As accountability to the local electorate was an important part of the governance of the Council, notice of the inspection period would be advertised on the Council's website in advance of the unaudited financial statements being published.

The draft Annual Governance Statement and Narrative Report would also need to be published alongside the Council's unaudited financial statements on the website.

In view of the changes to the 2015/16 financial statements, Audit Committee agreed that, in order to maintain strong governance over financial reporting, it would receive the unaudited Financial Statements for information after they had been authorised and release for publication.

Resolved:- (1) That the key accounting issues and main changes to the accounts in 2015/16, as listed in Appendix A of the report submitted, be noted.

(2) That the change to the Council's accounting policies that had been made as a result of changes to the Local Authority Accounting Framework, as set out in Appendix B of the report submitted, be noted.

(3) That the July meeting of the Audit Committee receive the Council's unaudited 2015/16 financial statements.

**53. KPMG EXTERNAL AUDIT PLAN 2015-16**

Consideration was given to a report presented by Derek Gaffney, Chief Accountant, and Debra Chamberlain, KPMG, describing the KPMG External Audit Plan (included as an appendix to the submitted report) which set out the proposed external audit work to be undertaken to form an opinion on the Council's financial statements and to conclude on whether the Council has arrangements in place to secure value for money in the use of its resources.

The Planning Summary attached outlined the financial statements' significant risk and areas of audit focus KPMG were currently considering as part of the audit planning process. The risk identification process was ongoing and as such the significant risk and areas of focus were

indicative at the present time and may change to reflect guidance and activity within the Council and generally in the sector. Currently, the five areas to be reviewed were:-

- Management override of controls
- Fraudulent revenue recognition
- Reserves and financial position
- Accounting for infrastructure assets
- Child Sexual Exploitation Claims

In developing the final Plan, KPMG would hold discussions with management and Commissioners to inform their Value for Money risk assessment and to finalise the significant risks and areas of audit focus in relation to the financial statements audit. The full Plan would be issued in April, 2016.

The 2015/16 audit fee of £140,828 represented a 25% reduction on the 2014/15 fee. The fee for 2016/17 and subsequent years would be set by the Public Sector Audit Appointments company set up by the LGA as successor body to the Audit Commission.

Resolved:- That the current position with regard to KPMG's audit planning for 2015/16 be noted.

**54. PRUDENTIAL INDICATORS AND TREASURY MANAGEMENT STRATEGY**

Consideration was given to a report presented by Derek Gaffney, Chief Accountant, which detailed that, in accordance with the Prudential Code for Capital Finance, the Secretary of State's Guidance on Local Government Investments, the CIPFA Code of Practice for Treasury Management in Local Authorities and with Council policy, the Interim Strategic Director of Finance and Customer Services was required, prior to the commencement of each financial year to seek the approval of the Council to the following:-

- The Prudential Indicators and Limits for 2016/17 to 2018/19.
- A Minimum Revenue Provision (MRP) Statement which sets out the Council's policy on Minimum Revenue Provision.
- An Annual Treasury Management Strategy in accordance with the CIPFA Code of Practice on Treasury Management including the Authorised Limit.
- An Investment Strategy in accordance with the Department for Communities and Local Government (CLG) investment guidance.

The report formed a key part of the financial management reporting framework and covered the Prudential Indicators and Treasury and Investments Strategies for 2016/17 and the following two financial years. It also provided an update on the indicators for the 2015/16 financial year.

It had been developed having taken account of the revised Codes and reports published during 2009 and the changes to the Department for Communities and Local Government's Investment Guidance.

The strategies had been developed taking account of the approved capital programme and the proposed Capital Strategy which was due to be considered by the Cabinet/Commissioners Decision Making meeting to be held on 23rd February, 2016.

These capital expenditure plans, the associated prudential indicators and the impact the net financing need had on the Council's Capital Financing Requirement, were highlighted.

It was also explained that the Council's CFR varies as a result of the impact of the financing of the Council's PFI and finance leases and the effect of the Minimum Revenue Provision requirement. The CFR estimates reflect the effect of the recently approved amendments to the Council's MRP policy which are set out in Appendix A.

The impact of the Council's capital expenditure plans as they affect Treasury Management and included in the Treasury Management Strategy were outlined.

It was explained that the Council will continue to remain under-borrowed for some time yet against the CFR, with new borrowing only undertaken as maturities arise. In 2016/17 a sum of just over £17.3m was due to repaid at maturity. It was considered prudent to continue with an under-borrowed position as market conditions suggested investment interest rates would remain low and there was a cost of carrying debt.

On a day-to-day basis the Council was likely to have surplus funds available for investment and the strategy for dealing with this was outlined. The primary governing principle remained security over, secondly, liquidity, and then return. Having reviewed the current and likely position it was recommended the criteria used for counterparty selection remain unchanged together with the money and time limits. Current operational guidance still operates within tighter limits in view of on-going market conditions.

As a result of the continuing prudent approach investment levels together with the anticipated interest receipts arising from these investments were expected to remain low.

Councillor Wyatt asked about a Minimum Revenue Provision holiday. - It was explained MRP was charged against the revenue budget. By amending the MRP profile on pre-2007/08 debt short-term revenue benefits had been identified up until 2030. The lower initial charges were felt to be a more prudent as they better reflected the economic use of the assets and the charges to current and future Council taxpayers were more comparable taking account of the time value of money. Cost

equalisation on the existing and revised profiles would be reached in 2057. A short-term benefit to the revenue budget could be accessed by taking a MRP holiday but only to the extent considered prudent.

Resolved: - That the Cabinet be asked to recommend to Council:-

i. The approval of the prudential indicators and limits for 2016/17 to 2018/19 as set out in the report.

ii. The approval of the Minimum Revenue Provision Statement (Appendix A refers) which sets out the Council's policy on Minimum Revenue Provision.

iii. The approval of the Treasury Management Strategy for 2016/17 to 2018/19 and the Authorised Limit Prudential Indicator.

iv. The approval of the Investment Strategy for 2016/17 to 2018/19.

**55. ITEMS FOR REFERRAL FOR SCRUTINY**

The Council's position on risk management would be considered at a later February meeting of the Overview and Scrutiny Management Board.

**56. EXCLUSION OF THE PRESS AND PUBLIC**

The following items are likely to be considered in the absence of the press and public as being exempt under Paragraphs 3 of Part I of Schedule 12A to the Local Government Act 1972 (as amended March 2006) (information relates to finance or business affairs).

**57. INTERNAL AUDIT PROGRESS REPORT AND PLAN REVISIONS 2015-16**

It was agreed that this report would be considered at the additional meeting on 25th February, 2016, as it complimented the special report.

**58. STRATEGIC RISK REGISTER**

Further to Minute No. 45 of 24th November, 2015, Simon Dennis, Interim Corporate Risk Manager, presented the Strategic Risk Register which took account of updates from Directorates and the Strategic Leadership Team as well as comments from partners, the Cabinet, Overview and Scrutiny Management Board and the Audit Committee.

The Register had also been re-aligned to link with the headings in the draft Corporate Plan. Every child making the best start in life is the first heading. Flu Pandemic is now a separate risk – 'A strong community in a clean, safe environment'.

It was still subject to further refinement as a result of experience of its operation and the bedding in of new arrangements and becoming an integrated part of the performance management process. There remained different approaches across the Directorates, which impacted on the use of the Council's reporting/monitoring software.

- Councillor Wyatt referred to some of the business objectives, such as tacking family poverty, and noted that they could not be achieved by the Council alone.
- Councillor Ellis was concerned that around half of the risks did not have a permanent owner and asked how it was ensued that the risks were made aware to the substantive owner when they commenced their employment? Simon attended SLT every six-weeks to discuss risk and could confirm that Rotherham's new Chief Executive Officer was already holding named individuals to account. This was encouraging.
- Bernard Coleman asked whether there were any services that did not have any major risks? - Every Directorate had a risk/s on the Strategic Risk Register, but not every service.

Simon Dennis asked the Audit Committee to consider the information that they wanted to be presented in these updates. He described organisational hierarchy approaches to risk management and felt that there was a long way to go before comprehensive risk management was embedded across the full organisation.

Resolved:- That the current draft of the Strategic Risk Register be noted.

**59. ADULT SERVICES RISK REGISTER**

Graeme Betts, Interim Director of Adult Services, and Councillor Roche, Cabinet Member for Adult Social Care and Health, were welcomed to the meeting.

Consideration was given to a report, presented by Graeme Betts, concerning the review of the Directorate's Risk Register.

The report contained, as an appendix, the latest position in relation to the Adult Services Risk Register. The Risk Register had recently been reviewed and updated to reflect the current position in relation to the Directorate and was reviewed on a monthly basis.

There were three overall categories of risk Red, Amber, Green (RAG) representing varying degrees of exposure. Each category contains a range of risk scores, resulting in varying degrees of risk within each category.

Graeme chaired monthly Senior Management Team monitoring where strategic risks relating to Adult Social Care were considered. Operational risks reviewed on a weekly basis chaired by an Assistant Director,

including ensuring that mitigation actions were taken. Councillor Roche met with Graeme on a monthly basis with a performance focus. These meetings would be extended to include Lead Commissioner Sir Derek Myers.

The current key risk areas for the Adult Services Directorate were:-

- Risks associated with the Adults Change Programme which included reliance on traditional high cost placements, inefficient personalised services and underdeveloped commissioning strategies
- Meeting the legislative requirements of the Care Act
- Meeting the legislative requirements of the Care Act to provide advocacy services
- Delivery of the budget
- Compliance with the Mental Capital Act (MCA) incorporating the Deprivation of Liberty Safeguards (DOLS)

Members discussed the following salient issues:-

- Councillor Ellis asked for assurances that areas where risks were persistently rated as red were being addressed. Graeme explained that there were several red areas which had made real progress over the past almost year that he had been in post. These had not yet been downgraded and were still areas of concern and these will be moved on.
- Councillor Wyatt asked how the Directorate addressed issues relating to fraud. Councillor Roche explained that the Adult Social Care Working Party were timetabled to discuss fraud prevention and the anti-fraud strategy. Councillor Wyatt emphasised that the responsibility sat within each Directorate rather than sitting centrally. Graeme agreed that these risks were addressed in the way the Directorate did business. This was especially important given the level of contracting taking place.
- Bernard Coleman asked for future risk registers to contain commentary on what has happened and the actions taken since last monitoring period.
- Councillor Ellis asked whether the quality of monitoring meetings was a priority? Casey recognised that meetings were taking place but that quality was not there. Councillor Roche explained that the meetings were formally minuted by the Cabinet Support Officer.
- Councillor Wyatt asked about 006 – Compliance with Care Act. Graeme explained that it had been implemented in April 2015 and the journey from implementation was seeing risks going from red to green. There were further issues resulting from the Mental Capacity Act and Deprivation of Liberty Safeguards, including assessment of advocacy. A legal decision had increased the number of eligible people overnight.
- Councillor Wyatt asked about the position of risk assessment at the NHS's Winterbourne View. Graeme was not aware of any current

major concerns.

Discussion was held on the format of the Adult Services' Risk Register. Councillors felt that the lack of commentary, timescales and details about the ownership of risks prevented detailed and useful analysis. A useful way forward within Audit Committee meetings would be to take one risk and conduct a deep-dive analysis on it. Considering a wide-range of risks risked becoming performance management. It was felt useful for Strategic Directors and Cabinet Members to attend and present these items and there was support that this should be retained.

Resolved:- (1) That the report be received and the contents of the Adult Services Risk Register be noted.

(2) That further consideration be given to developing the Audit Committee's method of conducting Directorate Risk Register analysis.

**60. PUBLIC HEALTH RISK REGISTER**

Consideration was given to a report, presented by Terri Roche, Director of Public Health, concerning the review of the Directorate's Risk Register. Also in attendance were Malcolm Chiddey, Public Health Specialist, and Councillor Roche, Cabinet Member for Adult Social Care and Health.

Terri described how Public Health's Risk Register was initially subject to weekly Senior Management Team monitoring and was now reviewed monthly at the Public Health Governance meeting. It was a live document, there had been nine risks and these had recently grown to ten. Risks were owned and embedded across the Public Health Directorate. Some risks would never be removed from the Register, such as pandemic flu (this was at the top of the national register), whereas within three to six months' time, some of the other risks would be discharged. New and emerging risks would be identified as time progressed and added to the Register.

The report contained, as an appendix, the latest position in relation to the Public Health Risk Register.

There were three overall categories of risk Red, Amber, Green (RAG) representing varying degrees of exposure. Each category contains a range of risk scores, resulting in varying degrees of risk within each category.

The current key risk areas for the Public Health Directorate were:-

- To reduce the impact of any flu pandemic in Rotherham
- To reduce the impact of any communicable disease incident/outbreak in Rotherham
- To provide contingency funding and support to deal with any unplanned Public Health duties

- To ensure that Public Health continues on planned programmes of work to protect/improve the lives of the people of Rotherham

Terri was thanked for her informative presentation.

Resolved:- That the report be received and the contents of the Public Health Risk Register be noted.

**61. SPECIAL MEETING**

Resolved:- That the next meeting of the Audit Committee take place on Thursday 25th February, 2016, to start at 3.00 p.m. in Rotherham Town Hall.

**HEALTH AND WELLBEING BOARD**
**13th January, 2016**

**Present:-**

| | |
|---|---|
| Councillor David Roche | Advisory Cabinet Member, (**in the Chair for Minute Nos. 41-45, 49-51)** |
| Dr. Julie Kitlowski | Vice-Chair, Rotherham CCG **(in the Chair for Minute Nos.46-48, 52)** |
| Tony Clabby | Healthwatch Rotherham |
| Miles Crompton | Policy, Improvement and Partnerships, RMBC |
| Dr. Richard Cullen | Governance Lead, Rotherham CCG |
| Chris Edwards | Chief Officer, Rotherham CCG |
| Kate Green | Policy Officer, RMBC |
| Alison Ilif | Public Health Specialist, RMBC |
| Gordon Laidlaw | Communications, Rotherham CCG |
| Carol Levelle | NHS England (representing Zena Robertson) |
| Councillor Jeanette Mallinder | Vice-Chair, Health Select Commission |
| Stella Manzie | Commissioner and Managing Director, RMBC |
| Paul McCurry | South Yorkshire Police (representing Jason Harwin) |
| Teresa Roche | Director of Public Health, RMBC |
| Councillor Stuart Sansome | Chair, Health Select Commission |
| Kathryn Singh | RDaSH |
| Ian Thomas | Strategic Director, Children and Young Peoples Services |
| Jon Tomlinson | Adult Care and Housing, RMBC |
| Janet Wheatley | Voluntary Action Rotherham |

Apologies for absence were received from Jason Harwin, Zena Robertson, Councillors John Turner, Watson and Yasseen.

**41. ROTHERHAM COUNCIL**

The Chairman referred to the recent announcement regarding the potential restoration of some powers to the Council/Elected Members in February, 2016 as well as the appointment of Sharon Kemp as Chief Executive who would commence on 18th January, 2016 and attend future meetings of the Board.

He placed his thanks on record for the work of the Commissioners and in particular Commissioner Manzie for her efforts on behalf of the Health and Wellbeing Board.

**42. DECLARATIONS OF INTEREST**

There were no Declarations of Interest made at the meeting.

## 43. QUESTIONS FROM MEMBERS OF THE PUBLIC AND THE PRESS

There were no questions from members of the press and public present.

## 44. MINUTES OF THE PREVIOUS MEETING

Resolved:- That the minutes of the meetings held on 25th November, 2015, be approved as a correct record.

Arising from Minute No. 34 (Communications), it was noted that an update would be given at the next meeting regarding the refresh of the Board's website.

Arising from Minute No. 37 (Suicide Prevention and Self-Harm), it was noted that meetings had taken place with 2 individual Head Teachers but not at the collective Head Teachers meeting. Commissioner Manzie undertook to raise this issue with the Head of School Effectiveness Service.

It was also noted that 2 training programmes had been publicised. Firstly the Applied Suicide Intervention Skills training to be held on 10th and 11th March, 2016 and secondly the Safe Talk Training to be held on 12th and 26th February, 2015. Both programme were to be held at the Brinsworth Training Centre. They were open to the general public as well as employers.

An All Members seminar was to be held on 5th April, 2016, on this issue.

## 45. FOR INFORMATION

**Physical Activity Event**
The Chairman reported that the event would now take place in May, date to be confirmed, at the New York Stadium.

**Network Event**
An event was to be held in York on 11th March for Health and Wellbeing Board Members and Support Officers. The Chair and Vice would be attending. There were a further two places available. Anyone interested in attending should contact Kate Green.

**Better Care Fund**
A progress report would be submitted to the February meeting. A meeting had taken place between the Council, CCG and Foundation Trust to discuss assurance that there was a shared approach from the Hospital, CCG and Council. A report would be submitted to the March meeting focussing on locality and a named key person to all the services the three organisations offered.

Julie Kitlowski reported that the Trust had developed a ten minute soundbite which talked about what 2016 for Rotherham was going to look like, the transformation plans, getting people out of hospital and looked after closer to home in their home and the locality model. It would need to be shared widely and hopefully would be presented to the next Board meeting. It was hoped to have a version that could be shared with the population of Rotherham.

(Julie Kitlowski assumed the Chair at this point in the meeting.)

**46. UPDATE ON THE HEALTH AND WELLBEING STRATEGY IMPLEMENTATION**

Further to Minute No. 35 of the meeting held on 25th November, 2015, Terri Roche, Director of Public Health, submitted an update on the progress made and the Board sponsors/lead officers as follows:-

| **Aim** | **Proposed Board Sponsor** | **Lead Officer (to be nominated by Board sponsor – from different organisation)** |
|---|---|---|
| 1. All children get the best start in life | Richard Cullen, CCG | Cara Milner, Matron, Children's Services, Rotherham Foundation Trust |
| 2. Children and young people achieve their potential and have a healthy adolescence and early adulthood | Ian Thomas, CYPS | CCG to nominate representative (suggested Safeguarding lead) |
| 3. All Rotherham people enjoy the best possible mental health and wellbeing and have a good quality of life | Kathryn Singh, RDASH | Ian Atkinson, CCG |
| 4. Healthy life expectancy is improved for all Rotherham people and the gap in life expectancy is reducing | Julie Kitlowski, CCG | Giles Ratcliffe, Public Health Consultant |

| | | |
|---|---|---|
| 5. Rotherham has healthy, safe and sustainable communities and places | Jason Harwin, SYP | Assistant Director of Community Safety and Neighbourhoods, RMBC (when appointed) |

A series of development workshops would take place for aims 3, 4 and 5 to help identify where the Board could add value to specific actions and consider what was already in place locally.

Aims 1 and 2 would be led by the Children's Trust Board and was, therefore, suggested that the wider Children's Partnership be used to develop them rather than individual workshops.

Discussion ensued on the nomination of Lead Officers and the need to ensure a balance of organisations.

Resolved:- (1) That the Board sponsors and lead officers for each Strategy aim, as set out above, be approved.

(2) That a review of the nominated officers be reviewed as part of the LGA Peer Review.

(3) That discussions take place with Voluntary Action Rotherham with regard to possible nominated representation.

**47. NHS PLANNING GUIDANCE 2016/17-20/21**

The Chair drew the Board's attention to the recently published NHS Planning Guidance 2016/17-2020/21 which set out the steps to deliver a sustainable, transformed Health Service. It included the key priorities for the system, agreed by all national health and care bodies, plus the business rules and incentives that would support delivery.

The CCG would have to produce two plans as well as consult with the Board on the Rotherham Place Plan which was a five year plan and had to be produced by March, 2016. CCG's were also being instructed to produce a regional Sustainability and Transformation Plan which included sustainability across the hospital sector as well as the CCG. Debate was taking place as to whether this would include South Yorkshire and Bassetlaw or South Yorkshire, Bassetlaw and Derbyshire. Technical guidance was awaited and there would be timescale issues.

Discussion ensued with the following issues raised:-

- Possible alignment with the City Region – Health was not part of the South Yorkshire devolution
- It covered all ages and was all encompassing

Resolved:- That the report be noted and further updates be submitted as and when information becomes available.

## 48. INDICES OF MULTIPLE DEPRIVATION

Miles Crompton, Policy and Partnerships, gave the following presentation:-

Indices of Deprivation 2015

- Government measure produced by Oxford University
- Updates the previous ID2010
- 7 domains (37 Indicators) = Index of Multiple Deprivation (IMD) with 2013/14 baseline
- SOA Geography (167 in Rotherham and 32,844 in England)
- Average of SOA Scores measure – Rotherham increased from 53rd most deprived district in 2010 to 52nd in 2015 (326 districts)
- Minor changes to methodology

Rotherham Deprivation relative to England

| % of Rotherham population within English IMD deciles | IMD 2004 | IMD 2007 | IMD 2010 | IMD 2015 |
|---|---|---|---|---|
| Most deprived 10% | 12% | 12% | 18% | 19.5% |
| Most deprived 20% | 33% | 32% | 33% | 31.5% |
| Most deprived 30% | 49% | 46% | 46% | 45% |
| Less deprived than national average | 29% | 35% | 32% | 37% |

23.1% of children 0-15 live in 10% most deprived areas nationally (15.6% in 2007)

Rotherham's most deprived SOAs
All in top 2% of 32,844 English SOAs

| SOA | Rank in 2010 | Rank in 2015 |
|---|---|---|
| Ferham | 851 | 242 (+609) |
| East Herringthorpe North | 230 | 257 (-27) |
| Eastwood Village | 2,207 | 302 (+1,905) |
| Canklow North | 434 | 315 (+119) |
| Eastwood East | 641 | 323 (+318) |
| East Herringthorpe South | 920 | 480 (+440) |
| Eastwood Central | 1,089 | 500 (+589) |
| Maltby Birks Holt | 1,207 | 597 (+610) |
| East Dene East | 707 | 623 (+84) |
| Masbrough | 847 | 634 (+213) |

Deprivation by Domain

| Domain | Top 10% | Change 2010-15 | Top 20% | Top 50% |
|---|---|---|---|---|
| Education & Skills | 24% | 0 | 39% | 69% |
| Employment | 24% | +2% | 42% | 75% |
| Health & Disability | 21% | -12% | 40% | 85% |
| Income | 17% | +3% | 33% | 64% |
| Crime | 15% | +4% | 25% | 65% |
| Living Environment | 2% | -1% | 4% | 10% |
| “Barriers” | 0% | 0 | 2% | 15% |

40% of Rotherham is in the most deprived 20% nationally but none is in the least deprived 20%

Indices of Deprivation
Change in Health Indicators

| Indicator | ID 2010 | ID 2015 | Change |
|---|---|---|---|
| Years of potential life lost | 74.3 | 64.8 | -9.5 |
| Comparative illness & disability ratio (sickness & disability benefits) | 147.1 | 142.5 | -4.6 |
| Acute morbidity (emergency admissions) 2006-8/2011-13 | 199.5 | 125.8 | -73.7 |
| Mood & anxiety disorders (Mental Health) 2006-8/2012-13 | 0.33 | 0.51 | +0.18 |
| Overall Health & Disability Score | 0.84 | 0.64 | -0.20 |

Average SOA scores (above) show improvement
Mental Health is worse – GP prescribing, hospital episodes, disability benefits and suicides
24.3% of children 0-15 are affected by low income

Income Deprivation affecting Children Index 2015

- Children 0-15 are 19% of population but 25% of those affected by low income
- 35% of children in low income families live in 10% most deprived nationally

Children and Young People’s Attainment
Education Sub-Domain 2015

- 27% of children and young people live in 10% most deprived areas nationally
- 16% live in 5% most deprived areas

Comparison of Life Chances: Children

| 20 Contrasting Neighbourhoods | 10 most deprived areas | 10 least deprived areas |
|---|---|---|
| Total population (2013) | 17,486 | 15,822 |
| Children (aged 0-17) | 5,870 (33.6%) | 2,655 (16.8%) |
| Live in a family with 3+ dependent children | 2,975 (50.7%) | 470 (17.7%) |
| Good level of development at Foundation (2013) | 117 (36.7%) | 115 (73.2%) |
| Achieve Level 4 at Key Stage 2 (2011-13) | 143 (56.7%) | 135 (88.0%) |
| Achieve 5+ GSCEs A*-C inc English & maths (2011-13) | 80 (32.7%) | 141 (82.6%) |
| Be a Child in Need (Children Act 1989) (2014) | 236 (4.0%) | 21 (0.8%) |
| Be in contact with or supported by the CSE Team aged 13-16 (2012-14) | 202 (20%) | 31 (4.6%) |

Comparison of Life Chances: Adults & General

| 20 Contrasting Neighbourhoods | 10 most deprived areas | 10 least deprived areas |
|---|---|---|
| Total population (2013) | 17,486 | 15,822 |
| Working Age Adults 18-64 | 9.732 (55.7%) | 9,691 (61.3%) |
| Be unemployed, long term sick or FT carer | 3,226 (33.1%) | 505 (5.2%) |
| Be a disabled adult claiming DLA (2015) | 1,460 (12.6%) | 545 (4.1%) |
| Live in an overcrowded home (all households) | 880 (12.6%) | 114 (1.8%) |
| Recorded violent offences, burglary, theft and criminal damage (per 1,000 pop) | 1,791 (102.4) | 315 (19.9) |
| Older people aged 65+ | 1,884 (10.8%) | 3,476 (22%) |
| Live in poverty as a pensioner | 765 (40.6%) | 222 (6.4%) |
| Male life expectancy | 73.4 | 83 |
| Female life expectancy | 77.4 | 86.9 |

Key Messages

- Deprivation still top 20% nationally
- Employment and education deprivation most severe
- Improvements in health, crime and environment
- Most deprived areas getting worse
- Areas with average or low deprivation doing better
- Mental health getting worse
- Rising barriers to housing – affordability
- Polarisation on all domains except living environment
- 18.7% deprived of income

- 24.3% children v 16.5% working age adults
- Children more likely to be affected by deprivation

Policy Challenges
- Targeting the most deprived areas
  - Are we closing the gap? – no it is getting wider
  - Previous initiatives made little lasting impact
  - Welfare Reform exacerbating deprivation
  - Identify what works: evaluation and best practice
  - Joining-up services and targeting resources
- Improving education and skills in our most deprived areas
  - Raising school attainment and participation post-18
  - Higher adult qualifications and skills
  - Work readiness: basic life skills, welfare to work
  - Cultural shift towards learning and working

Discussion ensued with the following issues raised/highlighted:-

- Should the sub-groups target the top 10 most deprived areas rather trying to affect a change across the whole of the Borough? Or each individual sub-group look at the issues that relate specifically to their area?

- Need for the Local Strategic Partnership to link up activity – role of the Operational Chief Executive to draw up matrices of the different levels as well as the operational day-to-day co-ordination and deployment of resources both in terms of the partnership work and operationally

- Very good work was taking place in driving up the standard of education but what happened when a child left at the end of the school day? There was a whole raft of issues that needed to be picked up given the complexities of neighbourhoods

- A challenge for Health would be do they target more of their budget to localities? Equity v equality

- Consistency was key and not constant time limited initiatives

- "So what Test" - in a year need to be able to see a difference in the deprived areas for the resources that had been deployed

Resolved:- (1) That the presentation be noted.

(2) That the Health and Wellbeing Strategy workshops give consideration to equity and "closing the gap".

(3) That a discussion take place between the Chair and Vice, the newly appointed Chief Executive and Chris Edwards on the way forward.

(4) That an All Members Seminar be held on this issue.

(Councillor Roche assumed the Chair)

**49. CHILDREN'S STRATEGIC PARTNERSHIP ARRANGEMENTS**

Ian Thomas, Strategic Director, Children and Young People's Services, gave a verbal report on the Children's Strategic Partnership.

The Partnership was strongly related to Aims 1 and 2 of the Health and Wellbeing Strategy. There had been two development days held so far with the first meeting of the refreshed Partnership taking place on 10th February where the Chair and Vice would be agreed as well as the Terms of Reference. The Partnership's key workstreams were:-

Early Help
Workforce Development across the system
Development of a Children and Young People's Plan

with the key headline outcomes of keeping children safe and keeping children and families safe, children ready to learn and children and their families ready for work.

The Partnership would meet bi-monthly and report into the Health and Wellbeing Board.

Resolved:- That the update be noted.

**50. EARLY HELP PROGRESS REPORT - SEPTEMBER TO DECEMBER, 2015**

Ian Thomas, Strategic Director, Children and Young Peoples Services, presented an update on the progress made in developing Rotherham's Early Help Offer.

The report highlighted:-

- Appointment to the posts of Assistant Director for Early Help, Heads of Service, Team Managers and Children Centre Leaders
- Transfer of staff into the new locality team on 5th October, 2015 and major review of all property in the Borough that would provide Early Help office space and Service delivery points
- In excess of 30 different referral routes into Early Help each with its own criteria, assessment and evaluation and recorded across 8 databases
- Review of the Early Help Assessment Team within the MASH and reconfiguration to secure more efficient and effective processes
- 0-19 Pathway almost complete. It would be launched as an interactive online tool for all partners and practitioners as part of the Early Help Offer website

- Progress in developing an online Early Help Offer with over 76 services and agencies having completed a service synopsis of what they offered and how it could be accessed
- Monthly reporting of performance measures. However, until the Case Management System (Liquid Logic) was operational it would continue to be an inefficient process with 7 different databases and systems to interrogate in order to extract the required data
- Finalised Early Help Quality Standards and a new electronic Case Audit tool development and introduced. All Team Managers and Heads of Service were required to undertake 1 Case Audit per month as part of the wider Early Help QA Framework

It was also noted that in October, 2015, the best ever NEET figures had been reported. Rotherham's final (NCCIS validated) figures were:-

Y11 98% offers made (against a national average of 97%)
Y12 97% offers made (against a national average of 91%)
Combined – 97.6% offers made (against a national average of 94.1%)

The Offer would go live on Monday, 18th January, 2016.

Discussion ensued with the following issues raised/clarified:-

- There were six Police Officers within the Integrated Youth Support Service. A Sergeant had also been recruited and a Missing from Home Officer who would sit within the Early Help Office

- The new Barnardos' service, although not live until later in the month, was already taking referrals – there would be fifteen additional bodies out and about raising awareness around CSE working with schools and communities

Resolved:- That the report be noted.

**51. JOINT COMMISSIONING UPDATE**

Ian Thomas, Strategic Director, Children and Young Peoples Services, presented a report outlining the progress that had be made on the Rotherham Joint Commissioning Strategy

The Strategy had been developed in partnership with young people as well as extensive consultation with parents, carers and stakeholders in the development of the 7 priorities i.e. SEND, Child Sexual Exploitation Post-Abuse Support Services, Early Help, Transition, Looked After Children – our Sufficiency Strategy in relation to Residential Care and Fostering Placements, CAMHS and 0-5 Years including Best Start.

Rotherham had suffered in the past as there had been no partnership working to deliver better outcomes for its communities. The Joint Commissioning Strategy aimed to impact positively on children and young

people through enhancement of current Mental Health Service provision. The priorities would bring about a positive contribution to promoting equality through improving access into service provision from disadvantaged and vulnerable groups.

Resolved:- That the report and progress made to date be noted.

(Julie Kitlowski assumed the Chair)

**52. ROTHERHAM LOCAL SAFEGUARDING CHILDREN ANNUAL REPORT 2014-15**

Christine Cassell, Independent Chair of the Rotherham Local Safeguarding Children Board, gave the following powerpoint presentation:-

Role of the Local Safeguarding Children Board

- Section 14 of the Children Act 2004 sets out the objectives of LSCBs which are:-
  - To co-ordinate what is done by each person or body represented on the Board for the purposes of safeguarding and promoting the welfare of children in the area
  - To ensure the effectiveness of what is done by each such person or body for those purposes

Relationship to the Health and Wellbeing Board
LSCBs

- Do not commission or deliver direct frontline services though they may provide training
- Should also work with the Health and Wellbeing Board, informing and drawing on the Joint Strategic Needs Assessment

(Working Together 2015)

LSCB Annual Report

- The Chair must publish an annual report on the effectiveness of child safeguarding and promoting the welfare of children in the local area (Working Together 2015)
- The report should be submitted to the Chair of the Health and Wellbeing Board (Working Together 2015)
- Inspectorates expect to see evidence of LSCB influence on the Health and Wellbeing Board

Rotherham LSCB Report 2014-15
Commentary by previous Chair on priorities

- Importance of Early Help strategy being refreshed
- Neglect and Domestic Abuse – strengthening Families Framework being introduced
- CSE Strategy refresh

Commentary on LSCB Improvements
- Performance, challenge and improvement
- Co-ordination with strategic commissioning activity
- Hearing and acting on the experience of others
- Learning and Development

Priorities for 2015-16
- Effectiveness of Early Help
- Effectiveness of the response to neglect
- Experience of Looked After Children
- Effectiveness of the multi-agency response to child sexual exploitation
- Continuing to improve the effectiveness of the LSCB

Safeguarding is everybody's business
- Council
- Statutory and non-statutory partners
- Voluntary and community organisations
- The wider community

What should the Health and Wellbeing Board do?
- Ensure a safeguarding focus in commissioning decisions
- Support LSCB priorities through the implementation of the Health and Wellbeing Strategy
- Undertake safeguarding impact assessments on major budget and organisational change
- Reports back to the LSCB on the impact of its work in support of LSCB priorities

Discussion ensued on the presentation with the following issues raised/clarified:-

- Further consideration was required to Impact Assessment in terms of the agencies' budgetary and organisational agendas

- To have an impact there had to be a baseline and once that discussion had been hade, how to get a collective view on what the impact was given agencies were driven by their own strategy and all measured outcomes differently; there had to be some commonality

Resolved:- (1) That the Health and Wellbeing Board:-

(a) Ensures a focus on safeguarding children in its commissioning decisions;

(b) Supports LSCB priorities through the implementation of the Health and Wellbeing Strategy

(3) That the issue of Impact Assessments be discussed at the Health and Wellbeing Board's Away Day and reported back to the Local Safeguarding Children Board.

**53. DATE, TIME AND VENUE OF THE NEXT MEETING**

Resolved:- That a further meeting be held on Wednesday, 24th February, 2016, commencing at 9.00 a.m. to be held at the Rotherham Town Hall.

**PLANNING BOARD**
**28th January, 2016**

Present:- Councillor Atkin (in the Chair); Councillors Astbury, Cutts, Godfrey, Middleton, Pickering, Sims, Smith, Whysall, Khan and Sansome.

Apologies for absence:- Apologies were received from Councillors Roche, Tweed and Yasseen.

**75. DECLARATIONS OF INTEREST**

There were no Declarations of Interest made at this meeting.

**76. MINUTES OF THE PREVIOUS MEETING HELD ON 7TH JANUARY, 2016**

Resolved:- That the minutes of the previous meeting of the Planning Regulatory Board held on Thursday, 7th January, 2016, be approved as a correct record for signature by the Chairman.

**77. DEFERMENTS/SITE VISITS**

There were no site visits nor deferments recommended.

**78. DEVELOPMENT PROPOSALS**

Resolved:- (1) That, on the development proposals now considered the requisite notices be issued and be made available on the Council's website and that the time limits specified in Sections 91 and 92 of the Town and Country Planning Act 1990 apply.

In accordance with the right to speak procedure, the following people attended the meeting and spoke about the applications listed below:-

- Outline application for the erection of up to 64 dwellinghouses with details of access at land at Blue Mans Way, Catcliffe for Langtree Group Plc (RB2014/1342)

Mr. D. Rolinson (on behalf of the applicant Company)
Mr. N. Howarth (objector)

- Erection of 3 No. dwellinghouses with associated access and landscaping (including relocation of existing garage) at land to rear of Winterhills High Street, Kimberworth for Beres Developments (RB2015/1357)

Mr. C. Dunn (on behalf of the applicant)
Written submission from objector

(2) That application RB2015/0142 be deferred pending a visit of inspection, as agreed by the Planning Board, to enable Members to consider the highway implications of the proposed development, with the Chairman and Vice-Chairman approving arrangements for the visit.

(3)(a) That, with regard to application RB2014/1357, the Council shall enter into an Agreement under Section 106 of the Town and Country Planning Act 1990 for the purposes of securing contributions of £30,000 towards off-site affordable housing; and

(b) That, consequent upon the satisfactory signing of the Section 106 Legal Agreement, planning permission be granted subject to the conditions set out in the submitted report

(4) That application RB2015/1429 be granted for the reasons set out in the submitted report.

**79. COURTESY CONSULTATION FROM SHEFFIELD CITY COUNCIL - ERECTION OF A MOTORWAY SERVICE AREA AT SMITHY WOOD, COWLEY HILL (ADJOINING JUNCTION 35 OF M1 MOTORWAY), CHAPELTOWN, SHEFFIELD (RB2015/1379)**

Further to Minute No. 72 of the meeting of the Planning Board held on 7th January, 2016, the Director of Planning, Regeneration and Culture submitted a report concerning the courtesy consultation from Sheffield City Council in respect of the application for planning permission for the erection of a motorway service area including proposed facilities building, hotel, filling station, parking facilities for all vehicles, access and circulation internal roads, structured and natural landscaping with outside picnic space and dog walking area, associated infrastructure and earthworks (Town and Country Planning (Environmental Impact Assessment) Regulations 2011 Schedule 2 proposal) at Smithy Wood, Cowley Hill (adjoining Junction 35 of M1 Motorway), Chapeltown, Sheffield for the Extra Motorway Service Area Group.

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

(2) That Rotherham Metropolitan Borough Council shall raise objections to this application for planning permission, for the reasons set out below and shall inform Sheffield City Council accordingly:-

(a) it is concluded that the impact of the development on Rotherham will be detrimental in terms of the impact on the ecology of Smithy Wood that is within Rotherham and the visual impact of the woodland clearing on views out of the Rotherham Borough; and

(b) whilst the mitigation and compensation being offered by the applicant are welcomed, there does not appear to have been any evaluation of the impact on Smithy Wood that is within the Rotherham Borough area.

**80. PROPOSED TREE PRESERVATION ORDER NO. 4 (2015) AT THE BRECKS BEEFEATER AND TRAVEL INN, EAST BAWTRY ROAD, BRECKS**

Consideration was given to a report of the Director of Planning, Regeneration and Culture concerning a proposal to protect a number of currently unprotected trees situated along the northern boundary of the Brecks Beefeater Hotel/Travel Inn site at East Bawtry Road, Brecks, Rotherham.

The report stated that, as an interim measure and to ensure the protection of the trees, a new Tree Preservation Order (reference No. 4, 2015) was placed on the site on 19 August 2015 and all interested parties were notified. One objection was subsequently received by the Council and details of that objection were summarised within the submitted report.

Members considered the details of the survey undertaken of the various trees, which included 1 No. Horse Chestnut, 7 No. Hawthorn, 10 No. Field Maple and 1 No. Sycamore.

The limited expected life span of some of the trees was emphasised. However, collectively, the trees are a significant landscape feature and provide valuable and important amenity and their retention will help to preserve the character of the Brecks hotel/pub and the surrounding area.

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

(2) That the Planning Board confirms the serving of Tree Preservation Order No. 4 (2015) with regard to various trees the subject of this submitted report, situated within the curtilage of The Beefeater Inn, East Bawtry Road, Brecks, Rotherham, under Section 198 and 201 of the Town and Country Planning Act 1990, this Order being confirmed with modification, as detailed within the submitted report, to include only trees T2, T4, T5, T6 and T13 and a minor modification to the submitted site location plan.

**81. UPDATES**

(1) It was reported that Jim Shirt, Enforcement Officer, was retiring from the Authority on 29th January, 2016.

The Board Members extended their thanks to Jim for all his work on behalf of the Board and wished him a happy and healthy retirement.

(2) Members were reminded of the arrangement for a training session about planning and development issues to be held at the Town Hall, Rotherham, on Thursday afternoon, 18th February, 2016.

# PLANNING BOARD
## Thursday, 18th February, 2016

Present:- Councillor Atkin (in the Chair); Councillors Astbury, Cutts, Khan, Lelliott, Middleton, Pickering, Sims, R.A.J. Turner, Tweed and Whysall, with Councillor Beaumont (as substitute for Councillor Godfrey).

Apologies for absence were received from Councillors Godfrey, Sansome and Smith.

**82. DECLARATIONS OF INTEREST**

There were no Declarations of Interest made at this meeting.

**83. MINUTES OF THE PREVIOUS MEETING HELD ON 28TH JANUARY, 2016**

Resolved:- That the minutes of the previous meeting of the Planning Regulatory Board held on Thursday, 28th January, 2016, be approved as a correct record for signature by the Chairman.

**84. DEFERMENTS/SITE VISITS**

There were no site visits nor deferments recommended.

**85. VISIT OF INSPECTION - OUTLINE APPLICATION FOR THE ERECTION OF UP TO 64 DWELLINGHOUSES WITH DETAILS OF ACCESS AT LAND AT BLUE MANS WAY, CATCLIFFE FOR LANGTREE GROUP PLC (RB2014/1342)**

Further to Minute No. 78(2) of the meeting of the Planning Board held on 28th January, 2016, Members of the Board made a visit of inspection to the above site, the subject of this application. (Ward representatives Councillors Buckley and Roddison were also in attendance).

Consideration was given to the report of the Director of Planning, Regeneration and Culture concerning the application for outline planning permission for the erection of up to 64 dwellinghouses with details of access at land at Blue Mans Way, Catcliffe for Langtree Group plc (RB2014/1342).

In accordance with the right to speak procedure, the following people attended the meeting and spoke about this application:-

Mr. D. Rolinson (on behalf of the applicant Company)
Mr. N. Howarth (objector)
Mrs. G. Peter (objector)
Mr. D. Key (objector)
Councillor A. Roddison (Ward representative, opposing the development)

Resolved:- That application RB2014/1342 be refused for the reasons set out in the submitted report.

**86. DEVELOPMENT PROPOSALS**

Resolved:- (1) That, on the development proposals now considered the requisite notices be issued and be made available on the Council's website and that the time limits specified in Sections 91 and 92 of the Town and Country Planning Act 1990 apply.

In accordance with the right to speak procedure, the following people attended the meeting and spoke about the application listed below:-

- Extension to existing day care nursery and temporary siting and use of portable classroom at Railway Children Day Care Nursery, Wood Lane, Treeton for Mr. R. Saddiq (RB2015/1422)

Mr. A. Spratt (on behalf of the applicant)

- Conversion of barn to dwelling (Use Class C3) at The Barn, Dalton Lane, Dalton for Mr. G. Thacker (RB2015/1425)

Mr. J. Wright (objector)
Mrs. C. Guest (objector)
Mr. D. Brown (objector)

(2) That application RB2015/1422 be granted for the reasons adopted by Members at the meeting and subject to the relevant conditions listed in the submitted report.

(3)(a) That, with regard to application RB2015/1425, the Council shall enter into a Legal Agreement with the developer under Section 106 of the Town and Country Planning Act 1990 to secure that the building shall remain in the applicant's ownership for a minimum period of five years following the grant of planning permission, otherwise a £10,000 affordable housing contribution becomes payable; and

(b) That, subject to the signing of the Section 106 Legal Agreement, planning permission be granted for the proposed development subject to the conditions set out in the submitted report.

**87. COURTESY CONSULTATION FROM DONCASTER MBC - ERECTION OF ONE WIND TURBINE AND ASSOCIATED INFRASTRUCTURE AT CONISBROUGH GRANGE FARM, COMMON LANE, RAVENFIELD (RB2015/1023)**

The Director of Planning, Regeneration and Culture submitted a report concerning the courtesy consultation from Doncaster MBC in respect of the application for planning permission for the erection of a 48.01 metres high wind turbine and associated infrastructure at Conisbrough Grange

Farm, Common Lane, Ravenfield (and situated within the Doncaster Borough area).

The report stated that the type of turbine had not been stipulated and the applicant was proposing a condition that would require the exact details of the turbine to be considered after the application had been determined, to provide the most efficient turbine at the time. As the type of turbine had not been stipulated, no information had been submitted about the exact colour of the turbine or the hub height. Neither had any details been provided of the exact appearance of the wind turbine, nor its operational electricity generating capacity. The proposal also included a turbine foundation and a hardstanding area for erecting a crane, access tracks and a small external turbine transformer meter housing.

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

(2) That Doncaster MBC be informed that this Council raises objections to the proposals in relation to the lack of information available to demonstrate clearly the impact on the local landscape or on heritage assets within the Rotherham Borough area, close to the application site.

**88. COURTESY CONSULTATION FROM DONCASTER MBC - ERECTION OF ONE WIND TURBINE TO REPLACE EXISTING AT LAND ADJACENT TO RIDGEWOOD FARM, COCKHILL FIELD LANE, BRAITHWELL, DONCASTER (RB2015/1092)**

The Director of Planning, Regeneration and Culture submitted a report concerning the courtesy consultation from Doncaster MBC in respect of the application for planning permission for the erection of one wind turbine (maximum height 36.6 metres) to replace existing at land adjacent to Ridgewood farm, Cockhill Field Lane, Braithwell, Doncaster (RB2015/1092). The report stated that the application is for a replacement of the existing broken wind turbine on the site which Doncaster MBC had previously approved under a planning permission in 2009. The proposed new wind turbine would increase the hub height to 25.5 metres and the rotor tip height of 36.6 metres, approximately 40% taller than the existing wind turbine. It was noted that the correct highway route of the components to the application site had not yet been submitted to this Council for consideration.

Members concluded that there would be no material unacceptable adverse impacts on the visual and residential amenities of residents within the Rotherham Borough area, arising from this proposal, or that it would create any highway safety issues.

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

(2) That Doncaster MBC be informed that, whilst this Council has no objections to this application for planning permission, this Council requests details of the actual route for delivering the wind turbine

components to the application site, for further consideration.

**89. DEVELOPMENT MANAGEMENT PERFORMANCE REPORT 2015/16**

Further to Minute No. 47(3) of the meeting of the Planning Board held on 8th October, 2015, consideration was given to a report of the Director of Planning, Regeneration and Culture detailing the current performance of the Development Management Team, after the health check undertaken during October 2015 by the Local Government Association, as required by the Government-appointed Inspectors. The report highlighted:-

(a) this Council's Development Management Service is currently within the top ten highest performing local authorities in England (source : analysis by the Planning Advisory Service of statistical information provided by local authorities);

(b) the likelihood of the introduction of planning fee refunds, should applications for planning permission not be determined within twenty-six weeks, as part of the Central Government's further planning reforms; and

(c) the Government's Housing and Planning Bill includes provision of the processing of applications for planning permission to be undertaken within a competitive environment (eg: by neighbouring local authorities and by private sector companies), although the decision-making aspect is to remain with the Local Planning Authority.

Members of the Planning Board placed on record their appreciation of the work of the Development Management Team. It was noted that performance reports will be submitted to future meetings of the Planning Board at regular intervals.

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

**90. UPDATES**

Members were reminded of the arrangements for a training session about planning and development issues to be held at the Town Hall, Rotherham, on Thursday afternoon, 18th February, 2016.

**STAFFING COMMITTEE**
**Monday, 15th February, 2016**

Present:- Councillor Alam (in the Chair); Commissioner Ney, Councillors Read, Roche, Sims, Wallis and Watson.

An apology for absence was received from Councillor C. Vines.

**19. PAY POLICY STATEMENT 2016**

Consideration was given to the report presented by Simon Cooper, Human Resources Manager, which provided details of the Annual Pay Policy Statement for 2016/17 setting out the arrangements for the salary and related allowances paid to Chief Officers that the Council was obliged to publish under Chapter 8 of the Localism Act 2011.

Clarification was sought on the current rate paid by the Council for the Living Wage and the mileage rate which was lower than the HMRC threshold.

In terms of the Annual Pay Policy Statement, the salary levels of the Chief Executive and Strategic Directors, the Staffing Committee were content with the details and were happy to recommend that the Statement be published and the salary levels as indicated be maintained at their current rates.

**Recommended:- That Council adopt the report as appended to the minutes.**

Rotherham Metropolitan Borough Council

Public Report

**Summary Sheet**

**Staffing Committee Report**

**Title**
**Pay Policy Statement 2016**

**Is this a Key Decision and has it been included on the Forward Plan?**
No

**Officer Approving Submission of the Report**
Human Resource Manager – Simon Cooper

**Ward(s) Affected**
None

**Executive Summary**
This report provides detail of the Pay Policy Statement for 2016-17 that the Council is obliged publish under Chapter 8 of the Localism Act 2011

**Recommendations**
Staffing Committee is asked to accept the Pay Policy Statement for 2016-17 (Appendix 1) and recommend approval by full Council.

**List of Appendices Included**
Appendix 1 Pay Policy Statement 2016-17

**Background Papers**
Local Government Association
CIPFA Best Value Accounting Code of Practice
Freedom of Information
Localism Act 2011
Hutton Review of Fair Pay in the Public Sector: Final Report March 2011
Previous Staffing Committee Reports
Local Government Transparency Code 2015

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**
The annual Pay Policy Statement has to be approved by full Council on recommendation of Staffing Committee.

**Council Approval Required**
Yes

**Exempt from the Press and Public**
No

**Pay Policy Statement 2016**

## 1. Recommendations

1.1 Staffing Committee is asked to accept the Pay Policy Statement for 2016-17 (Appendix 1) and recommend approval by full Council

## 2. Background

### 2.1 Pay Policy Statement

2.1.1 The Localism Act 2011, Chapter 8 Pay Accountability, made it a legal requirement for authorities to produce and publish a Pay Policy Statement by the 31st March each year. This must be agreed by full Council and detail the remuneration of its Chief Officers.

2.1.2 The Council must then comply with the Pay Policy Statement for the financial year in making any determination.

2.1.3 The statement must state:

- Policies relating to remuneration of Chief Officers (definition includes Directors)
- Remuneration of its lowest paid employees
- Relationship between remuneration of Chief Officers and employees who are not Chief Officers
- The remuneration of its Chief Officers
- Remuneration of Chief Officers on appointment
- Increases and additions to remuneration for each Chief Officer
- Use of performance related pay for Chief Officers
- Use of bonuses for Chief Officers
- Benefits in kind to which the Chief Officer is entitled
- Any increase of enhancement to Chief Officer pension entitlement
- Approach to payment of Chief Officers and their ceasing to hold office
- Any amounts payable upon the Chief Officer ceasing to hold office other than that payable by virtue of any enactment
- Approach to publication and access to information relating to remuneration of Chief Officers

2.1.4 In addition full Council should be offered the opportunity to approve salary packages offered for new appointments and exit packages for leavers where the value of either is £100,000 or more.

2.1.5 The Council's Scheme of Delegation has empowered the Staffing Committee to determine conditions of service, employment policies and procedures and remuneration relating to the Chief Executive and Chief Officers, in line with the Pay Policy Statement.

2.1.6 In line with usual practice, Staffing Committee is asked to review the Pay Policy Statement for 2016/17 (Appendix 1) and make recommendation to full Council.

## 3. Key Issues

3.1 It is a legal requirement for the Council to publish a Pay Policy Statement each year which has been agreed by full Council.

## 4. Options considered and recommended proposal

4.1 The format and content of the Pay Policy is in line with previous practice and in accordance with guidance previously issued by the regional Local Government Employers Association. It is therefore felt to reflect good practice and it has not been considered appropriate to deviate from this.

## 5. Consultation

5.1 Consultation has taken place with the Assistant Director of legal Services.

## 6. Timetable and Accountability for Implementing this Decision

6.1 Approval of decisions will be taken to the meeting of full Council scheduled to take place on the 2nd March 2016

## 7. Financial and Procurement Implications

7.1 None

## 8. Legal Implications

8.1 It is a legal requirement that the Council publishes a Pay Policy Statement.

## 9. Human Resources Implications

9.1 An appropriately rewarded workforce motivates employees and meets standards of fairness and equality required by employment legislation.

## 10. Implications for Children and Young People

10.1 Employees working in Children's and Young People's Services will be covered by the Pay Policy Statement.

## 11 Equalities and Human Rights Implications

11.1 Fair pay structures are a requirement of employment and equalities legislation.

## 12. Implications for Partners and Other Directorates

12.1 The Pay Policy Statement applies to employees across the Council.

## 13. Risks and Mitigation

13.1 The pay policy needs to conform to requirements stipulated by Central

Government. In developing the pay policy, account has been taken of advice and guidance issued by the National Local Government Employers and Regional Employers Organisation.

**14 Accountable Officer(s)**

14.1 Chief Executive Sharon Kemp.

**Report author(s):**
*Ian Henderson Principal HR Officer*
*Directorate: Finance & Customer Services*
*Tel and email contact: 01709 822467 ian.henderson@rotherham.gov.uk*

Approvals Obtained from:-

Chief Executive – Sharon Kemp

Assistant Director of Legal Services:- Catherine Parkinson

This report is published on the Council's website or can be found at:-

http://moderngov.rotherham.gov.uk/ieDocHome.aspx?Categories=

**Appendix 1**

# PAY POLICY STATEMENT 2016-17

## Introduction & Scope

This policy statement sets out the arrangements for the salary and related allowances paid to Chief Officers of the Council meeting the requirements of the Localism Act and also meeting the requirements of guidance issued by the Secretary of State for Communities and Local Government to which the authority is required to have regard under Section 40 of the Act.

It does not cover teaching staff whose salaries and terms of conditions of employment are set by the Secretary of State. Academy schools are an entirely separate employer covered by the Academies Act 2010 and are responsible for setting salaries for their employees.

## Underlying Principles

The Council is committed to and supports the principle of equal pay for all our employees.

Equal pay between men and women is a legal right under both United Kingdom and European Law. The Equality Act 2010 requires employers not to discriminate on grounds of race and disability and similar rules apply to sexual orientation, religion and age.

The authority applies terms and conditions of employment that have been negotiated and agreed through appropriate collective bargaining mechanisms (national or local) or as a consequence of authority decisions, these are then incorporated into contracts of employment.

## 1. Determination of Pay

Chief Executive and Chief Officers conditions of service are in line with the Joint Negotiating Committees for Chief Executives and Chief Officers. Local agreements and remuneration are determined by full Council on recommendation made by the authority's Staffing Committee.

This also applies to shared management arrangements with partner organisations, where the job continues to be filled by an employee of the Council.

The Chief Executive's salary is £160,000 and Chief Officer remuneration is within the salary range £82,720 to £145,000 per annum.

With effect from the 1st October 2014 the Council introduced a local Living Wage rate by means of a pay supplement applied to Council employees whose hourly rate of pay falls below £7.85 to bring them up to this rate. This rate will be reviewed in line with the nationally negotiated NJC pay award.

## 2. Pay Relationship

The lowest pay rate in the authority (excluding apprentice rates) equates to a full time equivalent annual salary of £15,202 and can be expressed as an hourly rate of pay of £7.85. This pay rate and salary was determined by the authority as part of a pay scale for employees employed on Local Government Services Terms and Conditions.

The highest paid salary in this authority is £160,000 which is paid to the Chief Executive.

The ratio between the two salaries, the 'pay multiple' is 10.5 to 1. Against the median salary of £19,742 this multiple reduces to 8 to 1 and against the average salary of £22,801 to 7 to 1.

The Hutton review considered the multiple should be no greater than 20 to 1 (lower is better) and based on the current situation the Council falls well below this threshold. The authority does not have a policy on maintaining or reaching a specific 'pay multiple', however the authority is conscious of the need to ensure that the salary of the highest paid employee is not excessive and is consistent with the needs of the authority.

These pay rates may increase in accordance with any pay settlements which are reached through their respective national negotiating bodies.

**3. Salary Packages over £100,000**

The authority will ensure that before an offer of appointment is made, any salary package for any post that is in excess of £100,000 is considered by full Council following recommendation by Staffing Committee.

**4. Market Supplements**

In exceptional circumstances where there are recruitment difficulties; there may be a requirement to consider the payment of temporary market supplements such as 'golden hellos', retention payments or regular monthly payments.

In situations where a Market Supplement is being considered a report detailing the business case is considered by the Head of Human Resources who makes the final decision as to whether a supplement is payable, the amount and the frequency of review. For Chief Officer graded posts where this would result in a pay package in excess of £100k the case will be considered by full Council on recommendation made by the Staffing Committee.

Supplements can be reviewed at any time but a review must be undertaken on an annual basis.

**5. Pay Awards**

The authority will apply any pay increases that are agreed by relevant national negotiating bodies and/or any pay increases that are agreed through local negotiations.

**6. Allowances**

Posts covered by Chief Executive or Chief Officer terms and conditions do not attract additional allowances.

**7. Bonuses**

The authority does not have or intends to introduce any bonus schemes.

**8. Performance Related Pay**
The authority does not operate a performance related pay system as it believes that it has sufficiently strong performance management arrangements in place to ensure high performance. Any areas of under-performance would be addressed through the capability procedure.

**9. Earn back**
The authority does not operate an earn-back pay system whereby a proportion of the employee salary is held back and only paid if specific targets are achieved as it believes that it has sufficiently strong performance management arrangements in place to ensure high performance. Any areas of under-performance would be addressed through the capability procedure.

**10. Voluntary Employee Benefits**
As part of its reward package the Council offers a range of salary sacrifice schemes where employees can exchange a portion of their salary for some other form of non-cash benefit. For example childcare vouchers, car parking permit, lease of a brand new car, cycles, mobile phones, home electronics and purchase of additional leave.

**11. Expenses**
Approved additional expenses incurred in the course of their work are reimbursed subject to appropriate evidence of expenditure being produced and in accordance with the terms of the Council Subsistence policy. Employees should not be out of pocket but situations which warrant payment of expenses are not intended to result in a profit.

Mileage expenses are reimbursed at £0.40 per mile.

**12. Election Fees**
The duties of Electoral Registration Officer are undertaken by the authority's Chief Executive, the remuneration for which is included in their annual salary.

The authority's Chief Executive is also the Returning Officer for elections, referendums and other polls. The Returning Officer may appoint deputies and by convention has chosen to appoint the Director of Legal Services as a Deputy Returning Officer.

For national elections, referendums or other polls which may be required by statute, fees are paid in accordance with the amounts specified for each poll by statutory order.

For local Borough and Parish elections a local scale of fees, which has not increased since 2008, is approved by full Council

**13. Termination Payments**
The authority's normal redundancy payment arrangements apply to all staff including Chief Officers and the Chief Executive. The authority also applies the appropriate Pensions regulations in circumstances where employees qualify for release of pensions.

Full Council will also be given the opportunity to vote on any severance package with a cost in excess of £100k. The components of any such package will be clearly set

out and will include pay in lieu of notice, redundancy payment, pension release costs, settlement payments, holiday pay and any fees or allowances paid.

**14. Pension Enhancement**

The authority has agreed policies in place on how it will apply any discretionary powers it has under Pensions regulations.

It is not Council policy to apply the available discretions to award additional pension to members of the pension scheme (regulation 31).

**15. Re-employment of Staff**

The authority is under a statutory duty to appoint on merit and has to ensure that it complies with all appropriate employment and equalities legislation. The authority will always seek to appoint the best available candidate to a post who has the skills, knowledge, experience, abilities and qualities needed for the post.

If a candidate is a former employee in receipt of an LGPS pension or a redundancy payment this will not rule them out from being re-employed by the authority. Clearly where a former employee left the authority on redundancy terms then the old post has been deleted and the individual cannot return to the post as it will not exist.

The authority will apply the provisions of the Statutory Redundancy Payments Modification Order regarding the recovery of redundancy payments if this is relevant and appropriate. Pensions Regulations also have provisions to reduce pension payments in certain circumstances to those who return to work within the local government service.

The authority will apply the provisions of the Recovery of Public Sector exit payments when legislation under the Small Business Enterprise and Employment bill comes into force.

**16. Transparency**

The authority meets its requirements under the Localism Act, the Code of Practice on Data Transparency and the Accounts and Audit Regulations in order to ensure that it is open and transparent regarding senior officer remuneration.

**17. Policy Amendment**

The Council may seek to change elements within the pay policy as part of any necessary efficiency review or as other circumstances dictate.

This policy statement will be reviewed each year and will be presented to full Council each year for consideration in order to ensure that a policy is in place for the authority prior to the start of each financial year.

**18. Pay Policy References**

- Agency workers directive 2011
- Hutton Fair Pay in the Public Sector Final Report (March 2011)
- Joint Negotiating Committee for Local Authority Chief Executives
- Joint Negotiating Committee for Chief Officers of Local Authorities
- Local Government (Early Termination of Employment)(Discretionary Compensation) (England and Wales) Regulations 2006

- Local Government Pension Scheme (Benefits, Membership & Contributions) Regulations
- Localism Act 2011
- National Joint Council for Local Government Services
- Representation of the People Act 1983
- Rotherham Borough Council Scheme of Delegation
- The Accounts and Audit (England) Regulations (2011)
- The Equality Act 2010
- The Secretary of State for CLG Code of Recommended Practice for Local Authorities on Data Transparency
- Local Government Transparency Code 2015
- HM Treasury Recovery of Public Sector exit payments

**Rotherham Metropolitan Borough Council January 2016**