



CABINET/ COMMISSIONERS' DECISION MAKING MEETING

Monday, 11 April 2016

10.00 a.m.

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

Cabinet Members:-

Leader of the Council – Councillor Chris Read
Deputy Leader of the Council – Councillor Gordon Watson
Councillor Saghir Alam – Corporate Services and Budgeting
Councillor David Roche – Adult Social Care and Health
Councillor Denise Lelliott – Jobs and the Local Economy
Councillor Kath Sims – Waste, Roads and Community Safety
Councillor Emma Wallis – Housing
Councillor Taiba Yasseen – Neighbourhood Working and Cultural Services

Commissioners:-

Lead Commissioner Sir Derek Myers
Commissioner Julie Kenny
Commissioner Mary Ney
Commissioner Malcolm Newsam

CABINET/COMMISSIONERS' DECISION MAKING MEETING

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

Date: Monday, 11th April, 2016

Time: 10.00 a.m.

A G E N D A

1. Apologies for Absence.

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

2. Declarations of Interest

To invite Councillors and Commissioners 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.

Decision for Cabinet:-

3. Out of Area Cross Charging Policy for Sexual Health Services (Pages 1 - 9)

To approve and ratify the out of area cross charging policy, which is based on the agreed regional approach endorsed by the Yorkshire and Humber Directors of Public Health Network.

Report of the Director of Public Health.
Cabinet Member – Councillor Roche
Commissioner: Ney (in advisory role)

Decision for Cabinet and Commissioner Ney:-

4. Strategic Review of ICT Related Contracts (Pages 10 - 18)

To note the actions being taken to strengthen the application of procurement processes and approve the exemptions to Standing Orders to enable the continuation of contracts and to agree to the conducting of procurement reviews of all contracts included in Appendix 1 to ensure that future exemptions are not sought.

Report of the Strategic Director of Finance and Customer Services
Cabinet Member – Councillor Alam (in advisory role)

Decision for Commissioner Ney:-

5. Kerbside Collections (Pages 19 - 31)

To review the negotiations and approve the new price.

Report of the Strategic Director of Regeneration and Environment
Cabinet Member – Councillor Sims (in advisory role)

6. Exclusion of the Press and Public

If necessary, the Chair to move the following resolution for consideration of the appendices to Item 5 on the agenda:-

That under Section 100(A) 4 of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves 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).

Open Session.

7. Questions from Members of the Public

To receive questions from members of the public who wish to ask a general question.

8. Minutes of the previous meeting held on 14th March, 2016 (Pages 32 - 47)

To receive the record of proceedings of the Advisory Cabinet held on 14th March, 2016.

Decisions of Cabinet:-

9. Administration of "Breathing Space" (a regional mortgage rescue scheme) (Pages 48 - 113)

To approve the Council's participation in the Regional Mortgage Assistance Loans Scheme, known as "Breathing Space".

Report of the Interim Director of Adult Care and Housing
Cabinet Member – Councillor Wallis
Commissioner: Myers (in advisory role)

10. Measures to Improve Leaseholder Income Collection (Pages 114 - 127)

To approve the increase to the administration and management fee and adopts the principle of full cost recovery and approve the amendments to the current major works repayment options.

Report of the Interim Strategic Director of Adult Care and Housing.
Cabinet Member – Councillor Wallis
Commissioners: Myers (in advisory role)

11. Housing Investment Programme 2016/17 (Pages 128 - 153)

To approve the proposed Housing Capital Programme for 2016/17.

Report of the Interim Strategic Director of Adult Care and Housing.
Cabinet Member – Councillor Wallis
Commissioners: Myers (in advisory role)

12. Final Report of Rotherham Council's Governance Working Member's Group (Pages 154 - 169)

To consider the recommendations of the Governance Review Working Group ("the Report") with a view to recommendations being made to Council as to amendments to the Constitution.

Report of the Governance Review Members' Group.
Cabinet Member – Councillor Read
Commissioner: Myers (in advisory role)

13. Estimated Outturn 2015/16 (Pages 170 - 191)

To note the estimated Revenue Outturn and approve the transfers to reserves as proposed.

Report of the Strategic Director of Finance and Customer Services
Cabinet Member – Councillor Alam
Commissioner: Myers (in advisory role)

14. Approval of CYPS Capital Programme 2016-2018 (Pages 192 - 219)

To approve the Schools Capital Programme for the period 2016/17 and 2017/18 and for the individual projects highlighted in 7.2 of the report.

Report of the Strategic Director of Finance and Customer Services
Cabinet Members – Councillor Alam, Lelliott and Watson
Commissioner: Newsam (in advisory role)

15. Request for Exemption from Contract Standing Orders to Continue and Extend the Children's Centre Contracted Provision at The Arnold Centre, Aughton Early Years and Rawmarsh Children's Centre (Pages 220 - 228)

To approve an exemption under Standing Order 38 from the provisions of Standing Order 48, to enable the extension of the three Children's Centre contracts for a further two years pending a full review of Early Help in 2017/2018.

Report of the Strategic Director of Children and Young People's Services
Cabinet Member – Councillor Watson
Commissioner: – Newsam (in advisory role)

Decisions for Commissioner Kenny:-

16. Review of Fairground Localities and Charging Policy (Pages 229 - 234)

To approve the freezing of the Fairs Charges, consider the fairground locations and approve the next review in February, 2017.

Report of the Strategic Director of Regeneration and Environment.
Cabinet Member – Councillor Lelliott (in advisory role)

17. Riverside House LED Lighting Upgrade (Pages 235 - 244)

To approve the proposed works and capital expenditure.

Report of the Strategic Director of Regeneration and Environment.
Cabinet Member – Councillor Lelliott (in advisory role)

18. Petition - Biological Records Centre (Pages 245 - 251)

To note the receipt of the petition and refer this for consideration as part of the proposals developed for 2017/18 and beyond

Report of the Interim Strategic Director of Regeneration and Development
Cabinet Member – Councillor Yasseen (in advisory role)

Decision for Commissioner Myers:-

19. Framework Agreement for Support Workers - Learning Disability Services (Pages 252 - 259)

To approve the tender process to establish a framework agreement to supply a range of support living services for people with a learning disability.

Report of the Strategic Director of Adult Care and Housing
Cabinet Member – Councillor Roche (in advisory role)

Decision for Cabinet:-

20. Improving Customer Service Through the use of Modern Housing Information Management Systems (Pages 260 - 282)

To approve the proposed enhancements to the IHMS project implementation and the additional expenditure available Housing Revenue Account Capital Investment Programme budget.

Report of the Interim Strategic Director of Adult Care and Housing
Cabinet Member – Councillor Wallis
Commissioners: Myers (in advisory role)

21. Exclusion of the Press and Public

The Chair to move the following resolution:-

That under Section 100(A) 4 of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in 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).

Decision for Commissioner Myers:-

22. Adult Care Contract and Procurement Strategy (Pages 283 - 290)

To approve an exemption from Standing Orders and the proposal to extend the contracts for periods ranging from nine to twelve months from the 31st March, 2016.

Report of the Interim Strategic Director of Adult Care and Housing
Cabinet Member – Councillor Roche (in advisory role)


Decisions for Cabinet:-

23. Risk Based Verification and Electronic Claims (Pages 291 - 340)

To seek approval of the draft Risk Based Verification Policy and Electronic Communications Policy.

Report of the Interim Strategic Director of Environment and Development Services
Cabinet Member – Councillor Alam
Commissioner: Myers (in advisory role)

In accordance with Section (7) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 the Chairman of the Overview and Scrutiny Management Board has agreed that the item 15 contains a key decision which needs to be acted upon as a matter of urgency and which cannot be reasonably deferred (see notice attached)

A handwritten signature in black ink that reads "Sharon Kemp". The signature is written in a cursive, slightly slanted style.

SHARON KEMP,
Chief Executive.

Summary Sheet

Cabinet/Commissioners' Decision Making Meeting – 11th April, 2016

Title Out of area cross charging policy for sexual health services.

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

Yes

Strategic Director Approving Submission of the Report

Terri Roche, Director of Public Health

Report Author(s)

Gill Harrison

Ward(s) Affected

All

Summary

This paper describes a policy which details how the authority will manage non contracted sexual health out of area activity (Rotherham residents attending sexual health services commissioned by other Local Authorities in England) and provide clarity on the conditions and payment terms for cross charging. This is based on the agreed Yorkshire and Humber approach endorsed by the Regional Directors of Public Health Network.

Under the terms of the policy the Authority will only reimburse:

- Invoices for Genito-Urinary Medicine (GUM) activity within the national tariff cost envelope (the tariff currently in force is the 2014/15 tariff) as shown below:

Treatment function	Treatment function name	WF01B <i>First Attendance - Single Professional</i>	WF02B <i>First Attendance - Multi Professional</i>	WF01A <i>Follow Up Attendance - Single Professional</i>	WF02A <i>Follow Up Attendance - Multi Professional</i>
360	Genito-Urinary Medicine	£134	£140	£105	£105

Under the terms of the policy the Authority will not:

- reimburse invoices for contraception activity
- pay charges for Market Forces Factor (MFF)

Before making payment invoice supporting data will be reviewed and the data will clearly provide all the required information to ensure Rotherham Metropolitan Borough Council (RMBC) are the responsible Authority (these are clearly outlined in the policy).

Recommendations

That the out of area cross charging policy, which is based on the agreed regional approach endorsed by the Yorkshire and Humber Directors of Public Health Network, be approved.

List of Appendices Included

Background Papers

Rotherham Metropolitan Borough Council
Sexual Health Out Of Area Cross Charging Policy
February 2016

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

Council Approval Required

Yes

Exempt from the Press and Public

No

Title (Main Report) Out of area cross charging policy for sexual health services

1. Recommendations

- 1.1 That the out of area cross charging policy, which is based on the agreed Yorkshire and Humber approach endorsed by the Regional Directors of Public Health Network, be approved.

2. Background

- 2.1 Since 1 April 2013, Local Authorities were mandated to ensure that comprehensive, open access, confidential sexual health services are available to all people who are present in their area (whether resident in that area or not). The requirement for Genito-Urinary Medicine (GUM) and Contraception and Sexual Health (CaSH) services to be provided on an open access basis is stipulated in the *Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013* (“the Regulations”).
- 2.2 Re-charging by the provider of costs back to the area where the individual is normally resident is recommended for out-of-area use of services. These arrangements support open access integrated sexual health services and patient choice.
- 2.3 The Department of Health issued guidance on cross charging in August 2013 outlining principles for Local Authorities to make payment for residents accessing sexual health services outside the area.
- 2.4 The guidance suggests that it is for local determination how these arrangements work and solutions that meet the needs of local areas and local populations should be in place. The guidance was developed to encourage a consistent, equitable, fair and transparent approach to cross-charging and billing for out of area service users from both a commissioning and provider perspective.
- 2.5 Cross charging had been regularly debated across the Yorkshire and Humber region since the responsibility for sexual health was transferred to Local Authorities in April 2013. Local Authorities had interpreted cross charging guidance differently and there were a number of approaches taken both within region and wider.
- 2.6 Members of the regional Yorkshire and Humber Sexual Health Commissioning Forum had contacted the Department of Health to request further clarity relating to cross charging. The Department of Health responded to say that they had no plans to issue further guidance and that authorities should find local solutions.

3. Key Issues

3.1 Some of the key issues which had been debated regionally included:

- Not all authorities would reimburse for contraception activity.
- Submitted invoices for activity significantly differed between providers (price and supporting information varied).
- Concern that there was potential double payment for university students.
- Cross charging was incurring significant resource expenditure for authorities and providers in pursuing information or payment.

3.2 A paper detailing cross charging options within the Yorkshire and Humber region was circulated to the Regional Directors of Public Health Network in June 2015 to agree a Yorkshire and Humber wide approach

4. Options considered and recommended proposal

4.1 The options were based on existing operational arrangements in the 15 Local Authorities within the region. Yorkshire and Humber Directors of Public Health recommended that all Local Authorities in the region adopt the following principles:

- Authorities will only pay for invoices for Genito-Urinary Medicine activity within the national tariff cost envelope (the tariff currently in force is the 2014/15 tariff)
- Authorities will not reimburse invoices for contraception activity
- Authorities will not pay charges for market forces factor (MFF)
- Before making payment invoices and supporting data will clearly provide all the required information (outlined in the attached policy)

5. Consultation

5.1 This information was posted for circulation on the HIV and Sexual Health Commissioners Group for England (mixture of NHS and Local Authority) national forum alongside a request for commissioners to share this information with their commissioned services.

5.2 Yorkshire and Humber Directors of Public Health have requested feedback from all stakeholders to inform the planned review of this arrangement in the summer of 2016.

6. Timetable and Accountability for Implementing this Decision

6.1 As a region this approach commenced from 1 October 2015. This set of principles will be reviewed in the summer of 2016 by the Yorkshire and Humber Directors of Public Health Network

7. Financial and Procurement Implications

7.1 In adopting this policy RMBC would reimburse against GUM activity up to national tariff (the tariff currently in force is the 2014/15 tariff). In some instances this would mean a saving to the authority.

7.2 The majority of cross charging happens within the region; therefore agreeing the same payment terms and conditions and adopting this policy will provide a fair and transparent payment system which would also assist the Authority to manage the budget within a decreasing budget envelope.

8. Legal Implications

8.1 Hull City Council (on behalf of the region) has sought legal advice through their town clerk who recommended that each authority prepares a decision record setting out their policy.

8.2 The national document is guidance and not set in statute, RMBC does not hold a contract with any of the out of area providers and the authority has been open and transparent about our regional approach.

8.3 Bringing an action in contract law would be challenging for the challenger. Essentially, albeit that there is no national tariff, DH / PHE have indicated what the national tariff would be if there was one. Making a policy decision that this rate will be paid (GUM Non Mandatory Tariff) is defensible and more likely to involve DH / PHE in any legal challenge if there was one.

8.4 Advice has been sought from RMBC legal department who support this policy.

9. Human Resources Implications

9.1 N/A

10. Implications for Children and Young People and Vulnerable Adults

10.1 The Yorkshire and Humber Directors of Public Health were clear in making this decision that all Local Authority commissioners will maintain confidential open access services and ensure that local residents can

attend a sexual health service of their choice without geographical boundaries.

11 Equalities and Human Rights Implications

11.1 There are a number of benefits to aligning to this regional position but primarily this will help to provide clarity, equality of approach across the region, and make better efficient use of limited resources

12. Implications for Partners and Other Directorates

12.1 The treatment of sexually transmitted infections limits the spread of infection within our local community.

13. Risks and Mitigation

13.1 There are a number of challenges across the region relating to this approach primarily relating to not honouring Market Forces Factors payments. At the time of writing no legal challenges have been made to RMBC. One provider has threatened to bring a legal challenge but has since agreed to charge on our tariff following our response.

13.2 Making a policy decision that this rate will be paid (GUM Non Mandatory Tariff) is defensible and more likely to involve DH / PHE in any legal challenge if there was one.

14. Accountable Officer(s)

Terri Roche

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:- Mark Scarrott

Director of Legal Services:- Catherine Parkinson

Head of Procurement (if appropriate):- N/A

Gill Harrison
Public Health Specialist

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

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

**Rotherham Metropolitan Borough Council
Sexual Health Out Of Area Cross Charging Policy
February 2016**

1 Introduction

- 1.1 This document details the council's policy to manage non contracted sexual health out of area activity and provide clarity on the conditions and payment terms for cross charging.

2 Background

- 2.1 Since 1 April 2013, Local Authorities were mandated to ensure that comprehensive, open access, confidential sexual health services are available to all people who are present in their area (whether resident in that area or not). The requirement for Genito-Urinary Medicine (GUM) and Contraception and Sexual Health (CaSH) services to be provided on an open access basis is stipulated in the *Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013* ("the Regulations").
- 2.2 Re-charging by the provider of costs back to the area where the individual is resident is recommended for out-of-area use of services. These arrangements support open access integrated sexual health services and patient choice.
- 2.3 Department of Health issued guidance on cross charging in August 2013 outlining principles for Local Authorities regarding payments for residents accessing sexual health services outside the area.
- 2.4 The cross charging guidance suggests that it is for local determination how these arrangements work and solutions that meet the needs of local areas and local populations should be in place. The guidance was developed to encourage a consistent, equitable, fair and transparent approach to cross-charging and billing for out of area service users from both a commissioning and provider perspective.
- 2.5 Public Health Grant allocations are largely based on resident populations. This means that they do not include an amount for paying for out-of-area users of an authority's open access sexual health services. However, they will include an amount which can be paid to providers in other areas in respect of any residents who choose to use open access services in another authority's area.
- 2.6 Due to the mandated open access nature of sexual health services, Local Authority residents can attend clinics anywhere in the country and each Council may be billed for the services provided. However this creates challenges in budgeting for this activity.

- 2.7 Regionally there are concerns that some cross charging activity relates to university students who are being billed incorrectly, and should be the responsibility of the host local authority.

3 Cross Charging Arrangements

- 3.1 Rotherham Metropolitan Borough Council adopts the Yorkshire and Humber agreement in managing sexual health out of area cross charging which was ratified by the Regional Directors of Public Health Network in June 2015.

- 3.2 Rotherham Metropolitan Borough Council will maintain confidential open access services and ensure that local residents can attend a sexual health service of their choice without geographical boundaries

- 3.3 Rotherham Metropolitan Borough Council will reimburse invoices for Genito-Urinary Medicine treatments which are within the cost envelope of the published Department of Health non-mandatory GUM tariff.

- 3.4 Rotherham Metropolitan Borough Council will not cover contraception activity. There was no cross charging allowance for contraception activity prior to the transfer of commissioning responsibilities to the local authority on 1 April 2013, in addition there is no recognised national tariff for contraception. Therefore the regional assessment is that this activity should not be cross charged.

- 3.5 Rotherham Metropolitan Borough Council will not reimburse costs relating to market forces factor (MFF), in line with the regional approach to cross charging.

- 3.6 All invoices must include the following information:

- Name of Provider
- Date
- Bank Details
- Invoice Period
- Invoice total

- 3.7 Supporting Data for each activity claimed must include the following before invoices can be reimbursed:

- LA Code
- LA Name
- GUM Number / Identifier
- Attendance Type – New / Follow Up / Single / Multi Professional
- Activity / Treatment Code
- Partial Postcode / LSOA
- Appointment Date
- Tariff

- 3.8 If the information required is not included then Rotherham Metropolitan Borough Council will not reimburse this activity

4 Exclusions to this policy

- 4.1 If there is a two-way patient flow between Rotherham and another area of a similar level, Rotherham Metropolitan Borough Council will explore reciprocal arrangements whereby activity is not invoiced as the administrative burden outweighs the marginal differences in patient flow between the two areas. Any such agreements would be included in an amended version of the Cross Charging Policy.
- 4.2 There are a small percentage of patients who may wish to remain anonymous and decline to provide identifiable information. In these cases these costs will fall to the Rotherham commissioned service.
- 4.3 Attendance by people living outside England including overseas visitors. In these cases these costs will fall to the Rotherham commissioned service.

Summary Sheet

Council Report

Cabinet and Commissioner Ney – 11th April, 2016

Title

Contract Renewals

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

No

Strategic Director Approving Submission of the Report

Stuart Booth, Interim Strategic Director Finance and Corporate Services

Report Author(s)

Colin Earl, Assistant Director Audit, ICT and Procurement

Ward(s) Affected

All

Executive Summary

This report provides details of work being undertaken to strengthen arrangements for the procurement of contracts, in particular the centralisation and co-ordination of the Council's Contracts Register which is a published register of all contracts that the Council has in place. As part of this activity, a number of contract areas have been identified where a re-tendering procurement exercise should have taken place but has not and as a result an exemption from Standing Orders is sought. This exemption will enable a full consideration of the future procurement and tendering options for each of the contracts listed.

This report also clearly identifies the management actions to be put in place to strengthen procurement arrangements across the Council to ensure Standing Orders are adhered to.

Recommendation

Cabinet is asked:

- To note the actions being taken to strengthen the application of procurement processes

- To approve exemptions under Standing Order 38 from the provisions of Standing Orders 47/48, to enable the continuation of contracts scheduled in Appendix 1 for one year
- To agree to the conducting of procurement reviews of all contracts included in Appendix 1 to ensure that future exemptions are not sought.

Commissioner Ney is asked:

- To note the actions being taken to strengthen the application of procurement processes
- To approve exemptions under Standing Order 38 from the provisions of Standing Orders 47/48, to enable the continuation of the contract scheduled in Appendix 2 for one year.
- To agree to the conducting of a procurement review of the contract included in Appendix 2 to ensure that a future exemption is not sought.

List of Appendices Included

Appendix 1: Schedule of Contracts and Renewal Dates

Appendix 2: Contract Schedule – CCTV system.

Background Papers

EU Procurement Rules

Standing Orders

Contracts Database (restricted)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No.

Exempt from the Press and Public

No.

Title (Main Report)

Contract Renewals

1. Recommendation

1.1 Cabinet is asked:

- To note the actions being taken to strengthen the application of procurement processes
- To approve exemptions under Standing Order 38 from the provisions of Standing Orders 47/48, to enable the continuation of contracts scheduled in Appendix 1 for one year
- To agree to the conducting of procurement reviews of all contracts included in Appendix 1 to ensure that future exemptions are not required.

1.2 Commissioner Ney is asked:

- To note the actions being taken to strengthen the application of procurement processes
- To approve exemptions under Standing Order 38 from the provisions of Standing Orders 47/48, to enable the continuation of the contract scheduled in Appendix 2 for one year.
- To agree to the conducting of a procurement review of the contract included in Appendix 2 to ensure that a future exemption is not sought.

2. Background

2.1 Appendix 1 (for Cabinet) and Appendix 2 (for Commissioner Ney) shows the schedule of contract renewals covered by this report. The Council is moving to implement good procurement practice throughout all of its procurement activity so as to ensure that a competitive and fair process is universally adopted across all contracts.

2.2 In mid-2015, the Procurement Service transferred into the Finance and Corporate Services Directorate, under the Assistant Director Audit, ICT and Procurement. During the second half of 2015 and early 2016:

- Contract management for a number of contracts has been centralised and co-ordinated into the Procurement Team
- The Contracts Register has been reviewed to ensure that it provides a comprehensive and complete record of all relevant contracts. The register now holds details of c400 contracts over £5,000 per year and 200 smaller contracts.
- Contracts are being reviewed to ensure compliance with legislation and Standing Orders
- Training has been developed on procurement processes and is being rolled out to managers across services

- The procurement service has put in place a data analytics reporting tool 'Spend Analytics' to help focus procurement resource activity.

2.3 The work done to date has highlighted further actions that are now being implemented:

- The Chief Executive has asked the Director of Finance and Customer Services to chair an officer Procurement Group, to oversee and ensure the implementation of good practice.
- The Contracts Register will be updated quarterly by the Procurement Service using information requested from and supplied by service colleagues. The register is now beginning to be used to assess key contracts requiring renewal in the future, although this can now be developed further into a stronger management and compliance tool. A forward plan of tendering decisions will be developed and reviewed by the Procurement Group.
- The forward plan and quarterly Contracts Register updates will be reviewed by the Director of Finance and Customer Services, the Assistant Director Legal and the Procurement Group, both to ensure compliance with procurement rules and to consider opportunities for savings through the review of contracts.
- Current managers' guidance will need to be strengthened to ensure it is more comprehensive in terms of clarifying roles and responsibilities and will be re-written by 30th April 2016.

2.4 Managers are responsible for ensuring compliance with the Council's Standing Orders and Financial Regulations. The requirements of Standing Orders are set out at Section 8. Financial Regulations and current managers' guidance notes relating to procurement indicate processes to be followed for the approval of expenditure relating to contracts. Current review of the managers' guidance notes indicates these can be strengthened in relation to the requirement of Standing Orders and a revision of the notes is underway. Refreshed training is currently being provided to services on their responsibilities.

2.5 A key role for the Procurement Service is to monitor and support compliance with procedures. While there is now better corporate understanding of the scale of the current problem, further progress towards review and renewal of all contracts receiving annual exemptions is required. Consequently one-year exemptions are sought to enable reviews to be completed for the relevant systems / contracts.

2.6 The Interim Strategic Director of Finance and Corporate Services and Assistant Director Audit, ICT and Procurement have taken the opportunity to commission a review of the service through the LGA. This is expected to report by May and Cabinet will be updated on the outcomes and recommendations from the review.

3. Requests for Exemptions

- 3.1 Appendix 1 and 2 identifies 15 contracts for which one year exemptions are requested. Most (12 contracts) relate to the annual support, maintenance and licensing of IT systems used by services or corporate ICT. The systems are crucial either to service operations or corporate systems security and operation. For example, the FastSuite software (Appendix 1) is integral to the operational running of the planning, building control and local land charges services and it has been developed over the last 12 months to provide web functionality (including community mapping) that will allow customers to interact with the Council digitally improving the customer experience and future efficiency of the services. Exemptions are requested for each of these contracts to allow formal reviews to be conducted, during 2016/17, with a view to aligning the timing of the renewal of systems support, maintenance and licensing contracts together.
- 3.2 Contracts with Kiveton Park Independent Advice Centre and GROW Giving Real Opportunities to Women (Appendix 1) are currently subject to operational service reconsideration. These local community/voluntary organisations provide valuable support to vulnerable residents and an exemption is requested to continue these services until a decision is made regarding future provision, for up to 12 months.
- 3.3 The Town Centre CCTV communications network contract (Appendix 2) currently with BT is due for renewal. This service is subject to review, with regard to a possible relocation of the control function and/or the provision of the communication lines, including possible internal provision. An exemption is requested to allow the review to be completed and a future proposal to be prepared.

4. Options considered and recommended proposal

- 4.1 There are a number of possible options relating to the contracts referred to in this report (general or ICT related), which would involve:
- Extending the contract on a short- term basis to allow market testing exercises to be conducted – the procurement service has managed to negotiate a short-term extension e.g 1 month for the ICT contracts, however the extension is not sufficient to enable tendering exercises to be completed and also it is unlikely that all suppliers will agree to such a short-term extension; or
 - Allowing contract(s) to expire and commence a new procurement process immediately, accepting a possible short-term disruption to service which would be deemed unacceptable; or
 - Extending the existing contracts, without any exemption, to allow time for a fuller review and market test. This would present a high degree of risk of challenge and is again not considered appropriate.
- 4.2 Given that none of the above options are considered to be acceptable or appropriate, it is requested that a request to exempt from Standing Orders

each of the contracts in Appendix 1 and 2 is the preferred option. This will allow full reviews and market testing to be carried out for all relevant systems / contracts.

5. Consultation

5.1 Directorate representatives and system owners of the various council systems have been working with the Procurement Team to produce the information included in this report.

6. Timetable and Accountability for Implementing this Decision

6.3 Implementation of the decisions in this report would commence immediately, leading in the future to better strategic planning of contract renewals and a gradually reducing number of requests for Standing Order exemptions.

6.2 It is anticipated that an agreed approach to all contracts will be put into place by 2017. This will allow services time to consider any services changes / re-engineering that need to be taken into account setting up any market testing exercise.

7. Financial and Procurement Implications

7.1 The current EU procurement limit for services is £164,176. This is not an annual figure; for example for any contract set up for 3 years, it is the full value of the contract (not the yearly value) that should be taken into account when considering whether a full EU tender process (or appropriate alternative such as a framework contract), should be undertaken.

7.2 Many of the Council's contracts have been in place for several years and so most requests for exemptions from Standing Orders are for one year extensions. Ultimately, this approach becomes increasingly open to challenge as the period over which the contract was exposed to competition becomes ever more distant. It also means the Council has not tested value for money and is unlikely to be obtaining best value.

7.3 Where systems are changed there are likely to be short-term additional resource requirements relating to the implementation, although resource implications have to be taken into account in the tender evaluation process, and would only be incurred if overall this was the best value solution for the Council.

7.4 Any additional market testing activity and any subsequent system changes will affect the workload of the Corporate Procurement Team.

8. Legal Implications

8.1 The power to grant exemptions under Standing Order 38 rests with either the Cabinet or Commissioners depending upon the function to which the individual contract relates.

- 8.2 The granting of exemptions for the contracts relating to ICT, the Voluntary and Community Sector, Housing and Public Health, which would include the contracts set out in Appendix 1 fall within the remit of the Cabinet.
- 8.3 The granting of exemptions for contracts relating to community safety, which would include the contract relating to CCTV in Appendix 2, falls within the remit of Commissioner Ney.

9. Human Resources Implications

- 9.1 There are no direct HR implications arising from this report.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 There are no specific implications for Children and Young People and Vulnerable Adults arising from this report. Better procurement would secure better value for money within the services provided for all citizens.

11 Equalities and Human Rights Implications

- 11.1 Equalities and Human Rights requirements are incorporated into the Council's procurement processes. Compliance with best practice procurement further ensures equalities and human rights requirements are achieved.

12. Implications for Partners and Other Directorates

- 12.1 An extension of market testing / tendering exercises could have a significant positive impact on a wide range of services. Where relevant, partners and other services should be consulted on any service reconfigurations to be reflected in new contractual arrangements.

13. Risks and Mitigation

- 13.1 The longer the Council continues to utilise the current approach of not carrying out market testing, the higher risk of legal challenge. The recommended actions in this report will help mitigate the risk.
- 13.2 There is no guarantee that the Council is currently achieving value for money from its contracts. The recommended actions in this report will help mitigate the risk.
- 13.3 By not carrying out market testing the Council may be missing out on opportunities to improve value for money.

14. Accountable Officer(s)

Colin Earl, Assistant Director Audit, ICT and Procurement

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:- Stuart Booth

Assistant Director of Legal Services:- Dermot Pearson

Head of Procurement):- n/a

Appendix 1

Title / Description of contract	Name of Provider(s)	Area	Service Contact	Contact Details	Current term	Start date	End Date	Extension Options	Estimated Value per year	Other Information/ Comments
---------------------------------	---------------------	------	-----------------	-----------------	--------------	------------	----------	-------------------	--------------------------	-----------------------------

VOLUNTARY SECTOR

Advice Provision	Kiveton Park Independent Advice Centre	Community Engagement	Zafar Saleem	Zafar.saleem@rotherham.gov.uk		01/04/15	31/03/16		£30,000	Current options being considered
Advocacy Provision	GROW - Giving Real Opportunities to Women	Community Engagement	Zafar Saleem	Zafar.saleem@rotherham.gov.uk		01/04/15	31/03/16		£25,000	Current options being considered

ICT RELATED CONTRACTS - ANNUAL SUPPORT AND MAINTENANCE

Schools' Online Backup system	Redstor	Schools	Contract Renewals Team	Contractrenewals@rotherham.gov.uk	5+ years	01/04/15	31/03/16		£60,000	Systems provided for schools - however, probably require exemption
SIMS Learning Gateway	Capita	Schools	Contract Renewals Team	Contractrenewals@rotherham.gov.uk	5+ years	01/04/15	31/03/16		£111,000	Systems provided for schools - however, probably require exemption
Fast Suite Planning	Civica	EDS Planning	Contract Renewals Team	Contractrenewals@rotherham.gov.uk	5+ years	01/04/15	31/03/16		£15,000	To be renewed - possible exemption
Customer Services Queuing Management Solution Support and Maintenance	Q-Matic Ltd	EDS Customer Services	Rachel O'Neil	Contractrenewals@rotherham.gov.uk	3 years	01/04/13	01/04/16		£16,000	To be renewed - possible exemption
eSuite (Children's Centres) Annual Maintenance	Capita	CYPS - Early Help	Sandra Wright	sandra.wright@rotherham.gov.uk	5+ years	01/04/15	31/03/16		£19,000	To be renewed - possible exemption
Family Information Service Software (Early Years)	Tribal Education Ltd	CYPS School Effectiveness	Contract Renewals Team	Contractrenewals@rotherham.gov.uk	4 years	01/04/15	31/03/16		£10,000	To be renewed - possible exemption
Aqua learner management software renewal (post 18 education)	Service Birmingham	CYPS School Effectiveness	Karen Luker	Contractrenewals@rotherham.gov.uk	5+ years	31/03/15	01/04/16		£18,000	To be renewed - possible exemption
Capita One Education system platform Maintenance, Support & Licensing	Capita	CYPS Education	Contract Renewals Team	Contractrenewals@rotherham.gov.uk	5+ years	01/04/15	31/03/16		£104,000	Core education system - exemption required
Home Enablers Rostering Software	Webroster Ltd	Adults & Housing	Contract Renewals Team	Contractrenewals@rotherham.gov.uk	3 years	15/04/15	14/04/16		£14,000	To be renewed - possible exemption
Software Asset Management	Certero	Corporate ICT	Contract Renewals Team	Contractrenewals@rotherham.gov.uk	4 years	19/04/15	18/04/16		£15,000	To be renewed - possible exemption
Software (Civica Public Protection)	Civica	Corporate ICT	Contract Renewals Team	Contractrenewals@rotherham.gov.uk	5+ years	01/04/15	31/03/16		£40,000	To be renewed - possible exemption
Electoral Services Software	Xpress Software Solutions Ltd	Legal - elections	Contract Renewals Team	Contractrenewals@rotherham.gov.uk	5+ years	01/04/15	31/03/16		£20,000	To be renewed - possible exemption

Appendix 2

Title / Description of contract	Name of Provider(s)	Area	Service Contact	Contact Details	Current term	Start date	End Date	Extension Options	Estimated Value per year	Other Information/ Comments
CONTRACTS SUBJECT TO SERVICE REVIEW										
CCTV system telephony	BT	EDS Streetpride	Mick Powell	Contractrenewals@rotherham.gov.uk	4 years	01/04/15	31/03/16		£29,000	Options under evaluation

Redstor

Council Report

Cabinet/Commissioner Decision Making Meeting 11th April 2016
Cabinet Member: Councillor Sims
Commissioner Ney (for decision)

Title

Beatson Clark Recycling Contract – Contract Price Review

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 of Environment and Development Services

Report author(s):

Paul Hutchinson, Waste Officer, EDS Waste Management, Tel. Ext. 34232,
paul.hutchinson@rotherham.gov.uk

Ward(s) Affected

All

Executive Summary

As the report contains information commercially sensitive to Beatson Clark Plc, some information has been deemed exempt from publication and extracted from the public sections of this report and can be found in the “closed” Section 15.

From July 5th 2014 a three year contract (with annual review) was awarded to Beatson Clark PLC to process kerbside collected household waste for recycling from the blue box - glass, cans and textiles.

For the third annual review of the contract, Beatson Clark has requested a reduction in the current contract price they pay to the Council. The company cite the reason they wish to reduce the price paid per tonne is due to a major reduction in the market price of recycled materials. They have also confirmed officially and in writing on 21st December 2015 that if a reduced price cannot be agreed they will have no other option than to terminate the agreement to treat glass, cans and textiles at the end of the current contract term on the 4th July 2016. Through negotiation between officers of the Council and Beatson Clark, a final improved price per tonne has been offered.

Recommendations

It is recommended that:-

1. The Council accepts a revised contract price paid by Beatson Clark PLC for the processing of Glass, Cans and Textiles collected at the kerbside;
2. That the revised contract price takes effect from 5th July 2016;
3. That the market price be reviewed on a quarterly basis;
4. That the Strategic Director of Regeneration and Environment be delegated authority to review and agree any future re-assessment of the price mechanism for this contract:- consultation with the Cabinet Member and Commissioner.

List of Appendices Included

Appendix 1 – Beatson Clark PLC’s letter of renewal and request for price review - Exempt

Appendix 2 – Beatson Clark PLC’s letter confirming the revised final offer - Exempt

Appendix 3 – Analysis of market prices for Blue Box materials over the last 18 months – Not Exempt

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

Partial Exemption – Part 2 and appendices 1 and 2 of the report contain information relating to the financial or business affairs of one of the Council’s partners and should be made exempt from public access.

Title

Beatson Clark PLC Recycling Contract – Contract Price Review.

1. Recommendations

It is recommended that:-

5. The Council accepts a revised contract price paid by Beatson Clark PLC for the processing of Glass, Cans and Textiles collected at the kerbside;
6. That the revised contract price takes effect from 5th July 2016;
7. That the market price be reviewed on a quarterly basis;
8. That the Strategic Director of Regeneration and Environment be delegated authority to review and agree any future re-assessment of the price mechanism for this contract:- consultation with the Cabinet Member and Commissioner.

2. Background

- 2.1 The Council has a statutory duty to provide a domestic waste collection service. Kerbside recycling supports this objective and contributes to the Councils current recycling performance as well as ensuring compliance with the national recycling policy and legislation. It also contributes towards the United Kingdom meeting the European Waste Directive target of achieving a recycling rate of 50% by 2020.
- 2.2 From 5th July 2014 a three year contract (with annual review) was awarded to Beatson Clark PLC to process glass, cans and textiles collected at the kerbside.
- 2.3 Although the contract was awarded for three years, it is reviewed annually; Therefore, the current “contract period” runs from 5th July 2015 to 4th July 2016. The following contract clauses are applicable for the 3rd year renewal.
 - *C4.1 The Contract Price shall be firm for the initial Contract Period. In the event of an extension being considered beyond the Contract Period the Council will review the charges with the Contractor in the six months prior to the expiry of the Contract.*
 - *C4.2 During this six month period, the Contractor may, following agreement with the Council and by giving the Council three months’ notice in writing to take effect at the end of the Contract Period increase or reduce the Contract Price.*

- 2.4 As the contract has now entered the six month period prior to the start of a 3rd contract year; meetings have been held between both parties. Beatson Clark has requested that the price they pay per tonne be reduced from the original tender price citing a major reduction in the market price of recycled materials. Through negotiation with Beatson Clark an improved, but final price per tonne has been offered.

3. Key Issues

- 3.1 The UK markets for recycled metals and glass has seen a significant reduction in price for materials over the last 18 months. This has affected Beatson Clark in two ways, the income they receive for selling sorted aluminium and tin has fallen, and the price to buy glass for their manufacturing process is now considerably lower than their original bid price. At times over the last 18 months the market has changed so significantly that they could even have charged to take recycled glass.
- 3.2 The Waste Resource Action Programme (WRAP) Gate Fee report 2015 shows Material Recycling Facility Contracts (beginning in 2014 or later and sorting four or more materials) have gate fees ranging from: paying £34 per tonne for material, to charging a fee of up to £35 to take materials, the report therefore returns a median gate fee of £0.00. The WRAP report was compiled from data supplied at the beginning of 2015 and since then the markets have continued to fall; therefore it can be surmised that gate fees will have worsened.
- 3.3 An informal conversation with our partner Shanks PLC has indicated that they would expect to be paid around £30 per tonne to process glass, cans and textiles. This is mainly due to the mixed glass content that is currently no longer an income generating recyclate. The charge may be reduced dependant on the quality/quantity of the metals and cleanliness of the load.
- 3.4 All market indices show income from recycled material had dramatically fallen over the last year and current gate fees are now as likely to be a cost rather than an income; appendix 3 provides a financial analysis of the recycled materials market over the last 18 months.
- 3.5 Beatson Clark PLC has reaffirmed their desire to continue in the partnership with the Council but state the current contract price they pay per tonne is financially unsustainable in the current glass and metals market.
- 3.6 The Council needs to ensure continuity of service and the continued delivery of a kerbside recycling collection to the residents of Rotherham. It also needs to maintain its current levels of recycling and maximise potential income from the materials collected.

- 3.7 The materials delivered to Beatson Clark are collected on the same vehicle as paper and card, albeit in separate compartments. The disposal points for the two waste streams are in close proximity to one another, in central Rotherham. If glass, cans and textiles had to be taken to a different disposal point, there would be an adverse effect on operational efficiency.
- 3.8 A similar situation has occurred with the Blue Bag Paper & Card Recycling contract where, due to a dramatic decline in the market price for recycled Paper and Card our contractor (Newport Paper) sought a reduction in price paid per tonne to ensure financial viability of the contract and prevent their withdrawal from it. This was reported to Advisory Cabinet Meeting at its meeting on the 18th January 2016, and a variation to the contractual price was agreed.

4. Options Considered and Recommended Proposal

- 4.1 **Option One** – Continue to work with Beatson Clark PLC, accepting a reduced price per tonne.
- 4.1.1 If accepted this option will see a reduction in income in the 3rd year of the contract.
- 4.1.2 Accepting this offer will give a guaranteed income to support financial planning for the 2016/17 budget.
- 4.1.3 Continuing to work with Beatson Clark supports the current waste operation in terms of processing facilities for glass, cans, textiles (Beatson Clark), paper and card (KCM Recycling) are in close proximity to each other in terms of offloading vehicles.
- 4.1.4 The Council will only be held to this reduced price for one year. A new tender will be required from the 4th July 2017 as there are no extension options in the current contract beyond this point.
- 4.2 **Option two** – Agree to terminate the contract at the end of the 2nd year and undertake a procurement exercise.
- 4.2.1 This option provides uncertainty as re-tendering in the current depressed market may not deliver a price per tonne that matches the revised offer from Beatson Clark. It is considered highly likely the Council would end up paying to recycle glass, cans and textiles.
- 4.2.2 Operationally, a new supplier's location may extend tipping times and impact on the ability of the crews to complete their rounds.

4.2.3 To re-tender for the start of the 3rd year of the contract (5th July 2016) will be challenging with procurement needing to commence immediately.

4.2.4 The options are to re-tender are:

- A one year term to keep the glass, cans and textiles contract compatible with the paper and cardboard contract. The short term of the contract may not be attractive to the market.
- Review the whole recycling service and contract all recycling streams to one processor for a 3 to 5 year contract. This will allow us to incorporate streams not currently collected such as plastics, commercial waste recycling and some Bring Sites materials. This option requires significant work prior to going to the market and would not deliver a revised contract in the remaining timeframe to meet our processing requirements.

4.3 Beatson Clark PLC has confirmed that they wish to continue their partnership with the Council and have proposed that the Council accepts a price reduction for the 3rd year of the contract.

4.4 It is considered that this proposal (option 1) is fair and reasonable in the current market. Working with our current partner will mitigate the risk to the Council. A review of the market rates in the short to medium term to ensure best value for the Council.

4.5 It is recommended that the proposal put forward by Beatson Clark PLC (option 1) be accepted in the current market climate.

4.6 The recommendation to continue with the Beatson Contract for a 3rd year is also deemed prudent as proposals for the future development of RMBC's Waste Services are being developed. Exercising the final year of the current contract, rather than going to market for a new 3 to 5 year deal, will give the Council the options to introduce changes our Waste Service sooner rather than later.

5. Consultation

5.1 Current analysis of the markets through leading industry publications: WRAP's Monthly Materials Pricing Report, WRAP's Gate Fee report 2015 and the www.letsrecycle.com waste industry website has shown a significant drop in prices in the recycled materials market in the last 18 months with no indication that the markets will improve any time soon.

5.2 The price of mixed glass from all sources currently shows that it is more likely processors will expect a gate fee to be paid for them to process glass and cans.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The current contract period runs until 4th July 2016. For a 3rd year to be considered the Council has to review the contract with the Contractor within the six months prior to the renewal date.
- 6.2 In this review period the Contractor may, following agreement with the Council and by giving the Council 3 months' notice in writing to take effect at the end of the Contract Period increase or reduce the Contract Price. Beatson Clark PLC has submitted their revised proposal in writing.
- 6.3 If the Council determines not to accept the revised proposal from Beatson Clark PLC; a procurement exercise will need to be undertaken for a short term contract. It is considered that the current depressed state of recycling markets would not deliver a better solution.
- 6.5 Should the report's recommendations be delayed or rejected, renegotiation with Beatson Clark PLC may be required or may see their termination of the contract, leaving the Council little time to tender for glass, cans and textiles. This could also impact upon current kerbside recycling operations in terms of close proximity to outlets

7. Financial and Procurement Implications

- 7.1 The detailed financial implications are shown in the restricted section of the report. The renegotiated price creates an in-year pressure of c£72k for the service.
- 7.2 Beatson Clark's proposed price will see a reduction of income, creating a pressure on the Waste Management budget for the financial year 2016/17. It will be difficult for Waste Management to mitigate or sustain this reduction.
- 7.3 The forecasted loss of expected income has been discussed with officers in Financial and Corporate Services to highlight the pressure in advance of budget setting in 2016/17 and 2017/18.
- 7.4 During the next 12 months a report is to be submitted to the Senior Leadership Team providing proposals for the future service offer of all waste services. The report will include financial costings and overall budgetary savings will be sought.

8. Legal Implications

- 8.1 The Environmental Protection Act, Section 45 requires the Council to provide a domestic waste collection service. The kerbside recycling services support this objective and contribute to the Council's current recycling performance.
- 8.2 The EU Waste Framework Directive requires Member states to achieve a target of recycling 50% of their household waste by 2020.

- 8.3 The Waste (England and Wales) Regulations 2011 (as amended by the 2012 Regulations) require local authorities to collect the “four materials” of Glass, Metals, Paper and Plastics separately for recycling, however there is a test of economic practicality in terms of providing a viable separate collection (the TEEP assessment).

9. Human Resources Implications

- 9.1 None

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 None

11. Equalities and Human Rights Implications

- 11.1 None

12. Implications for Partners and Other Directorates

- 12.1 Beatson Clark PLC, our Recycling partner is keen to maintain their relationship with the Council in terms of a local company using glass collected from the kerbside in Rotherham within their process.

- 12.2 The current contracts for the processing of recycled material support the local economy by using local companies within the Borough.

13. Risks and Mitigation

- 13.1 At the present time the market for aluminium, tin and mixed glass is still depressed and analyses of the last 18 month’s trends show no improvement. It is anticipated the market trends will not increase significantly in the foreseeable future.

- 13.2 Discussions with Beatson Clark PLC have sought an agreed position that recognises the difficulties caused by the collapse of recyclate market prices while maintaining the contract and protecting, as far as possible, the interests of both parties. The proposal presented to the Council provides a guaranteed level of income over the remaining year of the contract.

- 13.3 It has to be recognised that Beatson Clark PLC have been a trusted partner of the Council and both parties are keen to continue this working relationship. Although Beatson Clark PLC has offered a reduced contract price per tonne, this is still a very competitive price within the current market.

- 13.4 It is considered that not accepting a reduced price will trigger a termination of the contract by Beatson Clark PLC and would force the Council to undergo a re-

tender exercise. Going to the market at the current time would see the Council achieve a price per tonne considerably lower than the current price offered and would in all likelihood see the Council lose all income from this material stream, and very likely see the Council having to pay for these waste streams to be processed.

14. Accountable Officer(s)

David Burton, Assistant Director (Streetpride)

Ext: 22906

E-mail: David-Streetpride.Burton@rotherham.gov.uk

Approvals obtained from:

For Strategic Director of Finance and Corporate Services:

Peter Bratley, Principal Finance Officer

For Director of Legal Services:

Stuart Fletcher, Service Manager

For Head of Procurement:

Helen Chambers Milner, Senior Procurement Category Manager

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

**CABINET/COMMISSIONERS'
DECISION MAKING MEETING
Monday, 14th March, 2016**

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

Commissioners: Kenny and Newsam

Also in attendance: Councillor Steele, Chairman of the Overview and Scrutiny Management Board.

Apologies for absence were received from Commissioner Sir Derek Myers, Commissioner Ney and Councillor Watson.

32. DECLARATIONS OF INTEREST

There were no Declarations of Interest to report from Cabinet Members or Commissioners for this meeting.

33. QUESTIONS FROM MEMBERS OF THE PUBLIC

There were no questions from members of the public.

34. MINUTES OF THE PREVIOUS MEETINGS HELD ON 15TH AND 23RD FEBRUARY, 2016

Consideration was given to the minutes of the previous of the Cabinet/Commissioners' Decision Making Meetings held on 15th and 23rd February, 2016.

Resolved:- That the minutes be received and the contents approved.

35. 2015 EDUCATION PERFORMANCE OUTCOMES

Consideration was given to the report introduced by Ian Thomas, Strategic Director of Children and Young People's Services, which provided an overview of the educational outcomes of children and young people in primary and secondary schools for the academic year ending in the summer of 2015.

Historically Rotherham had progressed well with Early Years performance on an upward trajectory since 2009 for ages 2 to 5.

An area of concern was the primary progress between Key Stage 1 and Key Stage 2 and attainment between Key Stage 2 with necessary actions being put in place, including an Improvement Board chaired by the Chief Executive.

Key Stage 4 outcomes have exceeded the national average for a number of years, which was good performance for Rotherham.

Compared to other state schools Rotherham had slipped below the national average, but this was due to a change in how progress was measured.

It was also suggested that this report be considered by the Improving Lives Selection Commission and for this to be included as part of their work programme.

Resolved:- That the contents of the report and latest education outcomes be noted.

36. REQUEST FOR EXEMPTION FROM CONTRACT STANDING ORDERS TO CONTINUE AND EXTEND THE SUPPORT, MAINTENANCE AND HOSTING FOR SYNERGY FIS (TRIBAL)

Consideration was given to the report introduced by Ian Thomas, Strategic Director of Children and Young People's Services, which sought an exemption under Standing Order 38 from the provisions of Standing Order 47, to enable the continuation of support, maintenance and hosting of the Synergy FIS information management system which would expire on 31st March, 2016.

Extension of the current contract for support, hosting and maintenance of the system was essential to enable the Local Authority to meet its statutory duty.

The benefits and advantages to remaining with the current system provider (Tribal) and what would be achieved by extending the current support, maintenance and hosting contract were outlined.

Sharon Kemp, Chief Executive, confirmed an ICT related review of current contracts such as this was taking place, which would reduce the number of exemption from Standing Order requests coming forward in the same way in the future and would be factored into the Forward Plan process.

This was welcomed by Councillor Steele, Chairman of the Overview and Scrutiny Management Board.

Resolved:- (1) That an exemption under Standing Order 38 from the provisions of Standing Order 47 be granted.

(2) That the support, maintenance and hosting of the Synergy FIS contract for a three year contract be approved with the option to extend for a further two years.

37. ROTHERHAM TOWN CENTRE SUPPLEMENTARY PLANNING DOCUMENT (REPORT HEREWITH)

Consideration was given to the report introduced by Councillor Lelliott, Cabinet Member for Jobs and the Local Economy, which sought endorsement to undertake public consultation on the draft Rotherham Town Centre Supplementary Planning Document.

This would update the original masterplan and allow the Council to examine progress made in the development of Rotherham Town Centre and prepare a Supplementary Planning Document which would underpin the future development within the Town Centre.

Following consultation the intention was to adopt the document as a Supplementary Planning Document (SPD) to ensure that it had weight when determining planning applications and making planning decisions.

Caroline Bruce, Interim Strategic Director for Environment and Development, confirmed that following the consultation process a report would be prepared for consideration by Cabinet in July, 2016 with a view to being adopted by Council in September, 2016 within a suite of documents looking at all opportunities.

It was noted that the Overview and Scrutiny Management Board would also be factored into the timetable as part of the consultation process.

Resolved:- (1) That public consultation on the draft Rotherham Town Centre Supplementary Planning Document be approved.

(2) That should any minor amendments to the draft Supplementary Planning Document be required, these be considered by Councillor Lelliott and Commissioner Kenny, prior to undertaking public consultation.

38. REVIEW OF THE ENVIRONMENT AND DEVELOPMENT SERVICES DIRECTORATE

Consideration was given to the report introduced by Councillor Sims, Cabinet Member for Waste, Roads and Community Safety, which provided a progress update and outlined the proposals for the future delivery of the Council's enforcement and public protection services and service delivery in street cleaning, parks and grounds maintenance services once the new Strategic Director, Damian Wilson, joined the Council.

Caroline Bruce, Interim Strategic Director of Environment and Development Services, stressed the importance of "Regeneration" and the inclusion of this in the Directorate title alongside "Environment" recognising good services for the residents in Rotherham.

It was also noted that Karen Hanson, Assistant Director, Community Safety and Street Scene, would undertake reviews of enforcement services and street scene services to ensure they were performing as efficiently as possible and also bring enforcement and community safety together.

Reviews and reports undertaken by Scrutiny would be considered by the Cabinet in due course.

Resolved:- (1) That the contents of this report and the progress made to date in refocusing the priorities of the directorate as it changed from Environment and Development Services to the Regeneration and Environment Directorate on 1st April, 2016 be noted.

(2) That the proposals for strengthening enforcement and public protection services be noted.

(3) That the timeline for reviewing delivery of street cleaning, parks, and grounds maintenance services be noted.

(4) That any advice or comments to shape the future direction of the Directorate be provided.

39. LIBRARY STRATEGY AND BUDGET IMPLEMENTATION CONSULTATION PLAN

Consideration was given to the report introduced by Councillor Yasseen, Cabinet Member for Neighbourhood Working and Cultural Services, which set out Rotherham's draft Library Strategy for 2016 – 2019.

The Local Authority had a statutory duty to deliver a comprehensive and efficient Library Service and the Library Strategy supported this requirement by defining the delivery of Library Services in Rotherham for the next three years. The draft Library Strategy had informed the current proposals to make savings of £474,000 in the Library and Customer Services budget, whilst still delivering a comprehensive and efficient service as required by law.

Reductions in government grants, increasing inflation and additional demands for services in areas such as adult and children's social care, along with the changing expectations of service users and non-users, meant the Council must rethink the way that library services were delivered to ensure it complied with the statutory duty.

Caroline Bruce, Interim Strategic Director of Environment and Development Services, outlined the various mediums of consultation which would be undertaken, not just for current service users, but potential users of the service.

This would ensure that the service continued to meet the needs of Rotherham residents whilst also meeting Rotherham Council's statutory requirement to deliver a comprehensive and efficient service. A report on the outcome would be submitted to Cabinet during July, 2016.

Councillor Steele, Chairman of the Overview and Scrutiny Management Board, requested that a report also be considered by Scrutiny to enable further comments to be invited, which were endorsed.

Councillors Roche and Wallis were happy to support the report and its contents and in doing so stressed the importance of early learning and literacy and also the digital economy.

Resolved:- (1) That the draft Library Strategy 2016 – 2019 and public consultation plan, attached as Appendix A and B, be endorsed.

(2) That the public consultation on the Library Service be approved which would inform the final version of the Library Strategy 2016 – 2019 and the future service delivery model.

40. REGENERATION AND ENVIRONMENT DIRECTORATE - FEES AND CHARGES 2016-17

Consideration was given to the report introduced by Caroline Bruce, Interim Strategic Director of Environment and Development Services, which set out in detail the proposed fees and charges for the Regeneration and Environment Directorate for 2016/17, but highlighted two specific areas – the charging for pre-application advice in relation to planning applications and the mixture of increases and decreases in parking charges in line with parking policy and in respect of need and demand.

Councillor Lelliott, Cabinet Member for Jobs and the Local Economy, made specific reference to her own portfolio with regards to identified changes to the town centre parking tariffs which could generate extra income, including some reduction on Drummond Street, charging for pre-application advice within the Planning Service and the inclusion of regularisation inspection fees for retrospective applications within Building Control.

Councillor Sims, Cabinet Member for Waste, Roads and Community Safety, highlighted the proposed increases to Highways Services from 1st April 2016, and then again from 1st April 2018, which followed the pattern of increases that the Council had previously adopted. However, should benchmarking show that other local authorities have subsequently increased their charges, a further review would take place this autumn.

Councillor Yasseen, Cabinet Member for Neighbourhood Working and Cultural Services, confirmed that fees in relation to Leisure and Green Spaces had been increased by at least the rate of inflation and were

applied for the 2016/17 financial year. There were, however, several exceptions to this and included wedding packages in Clifton Park and with regards to concessions/Rothercard users.

Resolved:- (1) That the proposed fees and charges for the Planning Service as set out in Appendix 1 be approved.

(2) That the proposed fees and charges for Leisure and Green Spaces as set out in Appendix 2 be approved.

(3) That the proposed fees and charges for Highways Services as set out in Appendix 3 be approved.

(4) That the proposed Building Regulation charges as set out in Appendix 4 be approved.

(5) That the proposed Parking Services charges as set out in Appendix 5 be approved.

(6) That the proposed Community Protection charges as set out in Appendix 6 be approved.

(7) That the proposed Library, Customer Services, Theatre Services and Heritage Service charges as set out in Appendix 7 be approved.

41. USE OF 'WARRANT FOR ENTRY' UNDER THE ENVIRONMENTAL PROTECTION ACT (1990) TO SERVICE GAS APPLIANCES WHICH HAVE BECOME NON-COMPLIANT DUE TO TENANT NON ACCESS (REPORT HEREWITH)

Consideration was given to the report introduced by Councillor Wallis, Cabinet Member for Housing, which suggested to ensure full compliance with statutory requirements and best in class performance it was proposed that the Council utilised a procedure under the Environmental Protection Act 1990 ("EPA") where the tenant had failed to allow the Council access to their property to carry out the required annual safety check/service of gas appliances. Failing to ensure all domestic heating systems were properly checked and serviced was one for the most severe health and safety risks faced by the housing service and tenants.

This procedure would ultimately involve the Council seeking a warrant of entry to authorise access for gas engineers to cap off/safety check/service gas appliances in properties with internal gas meters following the anniversary date or the previous service date where access has been denied by residents.

There were a number of exceptions where the property had been abandoned or it was known the tenant was in prison or otherwise incapacitated.

Clarification was sought on the number of properties each year where these new procedures may need to be exercised, which was confirmed for last year as being three.

Resolved: (1) That the Council use powers under the Environmental Protection Act (1990) to allow forced entry to service gas appliances/cap off gas supplies for properties with internal meters only, when all other reasonable avenues to gain access for the annual gas service have been exhausted.

(2) That gaining approval to utilise the Environmental Protection Act (1990) be approved where the property was abandoned and/or where the Council's tenant was in prison/otherwise incapacitated so long as all other reasonable attempts to service the gas appliance and make it safe have failed.

(3) That the Assistant Director of Housing, Asset Management and Neighbourhood Services be authorised (under delegated power) to nominate officers to seek a warrant from the Magistrates' Court which was required to gain entry into the tenant's home to allow the Council to carry out the necessary gas safety check/service.

42. PETITION RESPONSE TO DISPOSAL OF RMBC LAND AT CATCLIFFE

Consideration was given to the report introduced by Councillor Lelliott, Cabinet Member for Jobs and the Local Economy, which detailed the response to the petition received on 19th October, 2015, opposing the disposal at auction (20th October, 2015) of the grassed area off Highfield View and Brinsworth Road, Catcliffe.

The land was allocated Urban Greenspace and could not be sold for residential development. Approval was now sought for the land to be leased to Catcliffe Parish Council and for them to take over the maintenance.

Resolved:- (1) That the area of land currently leased to the Catcliffe Parish Council be approved for extension to incorporate the larger grassed area identified as shown edged red and blue at Appendix 1 of the report through an Asset Transfer Lease.

(2) That the contents of the Cabinet report on the 4th February 2015, attached as Appendix 4, be noted, as it set out the programme for house building on multiple HRA sites and the slight impact that recommendation 1 has on the programme.

(3) That the lead petitioner be advised of the outcome of the investigation and the action to be taken.

43. LONGER TERM POST CHILD SEXUAL EXPLOITATION (CSE) SUPPORT SERVICES

Consideration was given to the report introduced by Ian Thomas, Strategic Director of Children and Young People's Services, which detailed the significant investment in the development and commissioning of child sexual exploitation support services by the Council and the Rotherham Clinical Commissioning Group.

To build on the existing offer of support to victims and survivors of child sexual exploitation in Rotherham, longer term post support services were to be commissioned which were originally planned to commence 1st April, 2016.

Following a child sexual exploitation needs analysis, the longer term post support services would provide a range of services to meet the needs of victims and survivors and also offer choice to individuals. The capacity had been improved and included the service run by Barnardo's, investment into CAMHS and the funding of a Psychologist from partner agencies

However, there was still a need to appraise what needs were currently being met by the community sector outside of those services commissioned. It was proposed that the appraisal would contribute to the needs analysis for 2016 and give some reassurance around the capacity that was required through the new longer term commissioned services going forward as it was anticipated with the recent prosecutions and as public reassurance was being restored, the number of enquiries and requests for support would increase.

To achieve this, it was recommended that the existing post child sexual exploitation support contracts be extended for three months, with the new longer term post child sexual exploitation support contracts commencing on the 1st July, 2016 as agreed by Commissioner Newsam on the 7th December, 2015.

Councillor Read, the Leader, sought clarification on the timeframes for contract implementation to ensure a smooth transition and was advised that a report on the proposed new arrangements would be submitted in early June, 2016 for approval.

Commissioner Newsam Resolved:- (1) That the current post child sexual exploitation support service contracts be extended for three months to the 30th June, 2016.

(2) That pursuant to Standing Order 38, the contract extensions referred to in recommendation 1 above, be exempt from the provisions of Standing Order 48 which would ordinarily require the invitation of between three to six tenders prior to the granting of a contract.

(3) That a further report be presented to Cabinet/Commissioners in June, 2016 about the outcome of the tender evaluation with an update on the needs analysis for post child sexual exploitation support.

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

44. EARLY EDUCATION FUNDING RATES 2016/17

Consideration was given to the report introduced by Ian Thomas, Strategic Director of Children and Young People's Services, which sought agreement to increase the early education hourly rate in 2016/17 by approving additional funding from the Schools' Dedicated Schools Grant (DSG) Block to be allocated to the Early Years (EY) DSG block to enable an increase in the hourly rate paid to providers.

The report also sought approval of various options, including a review of the funding formula for the three nursery schools in Rotherham to enable the funding for early education provision in the borough to be distributed more evenly and to explore whether the budgets could then be reduced in year. Rotherham's funding rate for private and voluntary providers was currently the fourth lowest in the Yorkshire and Humber region and had not been increased in real terms since 2013/14.

Early education providers were about to face increased staffing costs due to the introduction of the national living wage, and some may be at risk of becoming financially unsustainable if the hourly rate paid to providers was not increased. All early education provision for three and four year olds was funded through the Early Years Dedicated Schools Grant block. Currently the three nursery schools received 17.5% of the total Early Years Dedicated Schools Grant Block allocation to provide provision for 6.3% of the children accessing three and four year old early education places. The nursery schools have not had a review of their funding needs since around the year 2000.

Resolved:- (1) That the hourly rate paid to early education providers be increased as per Option A (with the exception of Nursery Schools) from April, 2016 (see Appendix 3 for increase options).

(2) That additional funding be approved from the Schools Dedicated Schools Grant Block to be allocated to the Early Years Dedicated Schools Grant block to enable an increase in the hourly rate paid to providers.

(3) That a review of the Early Education Funding allocated to the three nursery schools be approved to identify whether the funding rate was appropriate ensuring that they remain sustainable and exploring whether the budgets could then be reduced in year.

45. ROTHERHAM RAIL CONNECTIVITY STUDY - NEXT STEPS

Consideration was given to the report introduced by Councillor Lelliott, Cabinet Member for Jobs and the Local Economy, which detailed how the Transportation and Highways Project Group had been working with South Yorkshire Passenger Transport Executive (SYPTe) to undertake a review of the current rail connectivity and service provision to Rotherham Central Station. There had been a longstanding desire to improve both the range of destinations served and also the frequency of services.

A study was commissioned by SYPTe to consider why the existing service provision was limited and what constraints needed to be overcome in order to provide an enhanced service. The study also considered the economic growth potential that could arise in Rotherham as a result of better rail connectivity. The study concluded that the only practical and cost effective way to enhance rail connectivity to Rotherham was to consider providing a new railway station on the mainline to take advantage of services that currently pass through the borough but do not stop.

The suggested location for this station was at Parkgate, although the next phase of work would consider all potential station locations in greater detail. In order to develop a business case and ensure that the station was a viable proposition, further consultancy support would be commissioned and funded by SYPTe. Oversight of this work would take the form of a project board with representatives of RMBC, the Sheffield City Region (SCR) Executive Team, SYPTe and Network Rail.

Commissioner Kenny Resolved:- (1) That the findings of the Rotherham Rail Connectivity study be endorsed whilst noting that SYPTe presented the findings of the study to the SCR Transport Committee on 12th October 2015 (attached at Appendix A).

(2) That any comments on the further work to be undertaken and the suitability of the project board be provided.

(3) That it be noted that the new railway station be one of the Development Pool projects included within the Capital Strategy that had been identified as part of the development of the Council's capital programme (2016-2021), with a provisional cost of £15.1m.

(4) That the proposal for officers from the Transportation and Highways Project Group to work as part of the project board be endorsed, to develop the further detail of the scheme, noting that the Department for Transport were expected to announce a 'New Stations Fund' in 2016.

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

46. VISION AND STRATEGY FOR ADULT SOCIAL CARE

Consideration was given to the report introduced by Councillor Roche, Cabinet Member for Adult Social Care and Health, which detailed the vision and strategy for adult social care and provided an update on progress on the adult social care development programme the scope of which was agreed as a key decision on 7th January, 2016.

Information had been shared through various mediums and was the proposed framework to move forward.

Graeme Betts, Interim Strategic Director of Adult Care and Housing, outlined how it was essential to focus on outcomes rather than the services to give an improved quality of life to the people of Rotherham.

Commissioner Kenny Resolved:- (1) That the vision and strategy for adult social care (appendix one) be approved.

(2) That the current progress on the adult social care development programme (appendix 2) be noted.

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

47. IN-HOUSE RESIDENTIAL CARE CHARGES 2016/17

Consideration was given to the report introduced by Councillor Roche, Cabinet Member for Adult Social Care and Health, which detailed how the Council had a statutory duty to set a maximum charge for residential accommodation provided in Local Authority Homes. This charge had to reflect the costs of providing residential care which included expenditure such as running costs and management overheads.

This report recommended no increase to the charge to service users for the provision of in-house elderly residential care for 2016/17 and a reduction in charge for non-elderly residential care based on the actual cost of providing the service.

It was noted that whilst it was indicated that the Wards affected by the report were the areas in which the residential accommodation was located, the people who accessed this accommodation were from all across the borough, thus all Wards were affected.

Commissioner Kenny Resolved:- (1) That the information contained in this report be received.

(2) That there be no increase to the weekly maximum charge for In-House residential care for the elderly for 2016/17.

(3) That the charges for non-elderly in-house residential and respite provision be approved as shown in Appendix A.

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

48. NON-RESIDENTIAL CARE CHARGES 2016/17

Consideration was given to the report introduced by Councillor Roche, Cabinet Member for Adult Social Care and Health, which detailed how the Directorate was required to review its fees and charges as part of the annual budget setting process. This report set out in detail the current charges for non-residential services benchmarked against local neighbours and set out a number of proposals for 2016/17.

This report recommended no increase to the charge to service users for the provision of domiciliary care and day care meal and recommends moving towards achieving full cost recovery for day care and transport charges.

Councillor Roche, Cabinet Member for Adult Social Care and Health, pointed out that proposals within the report recommend increasing some charges over a phased period towards achieving full cost recovery and, therefore, consultation would be required with service users and carers for these charges for 2017/18. He, therefore, requested that further comments be deferred until the outcome of the consultation was known with service users and carers.

Graeme Betts, Interim Strategic Director of Adult Services and Housing, outlined the impact on existing service users and the open ended consultation process which would follow the traditional consultation mechanisms with service users, groups and the public to establish their views moving forward.

Commissioner Kenny Resolved:- (1) That the information contained in this report be received.

(2) That there be no increase to the charge for domiciliary care for 2016/17.

(3) That the maximum charge be increased in line with any increase in the fee for Older People Independent Residential Care.

(4) That the proposed charges for day care and transport be increased on a phased basis towards achieving full cost recovery and that service users and carers are consulted on the proposed increases for both 2016/17 and 2017/18 as set out in the report including identifying a reasonable cost.

(5) That there be no increase in the charge for day care meals in 2016/17.

(6) That there no to charge for Carers services in 2016/17

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

49. 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 items of business on the grounds that they involve 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.

50. TENDER REPORT FOR REFURBISHMENT WORKS AT BEEVERSLEIGH RESIDENTIAL TOWER BLOCK, CLIFTON LANE

Consideration was given to the report introduced by Councillor Wallis, Cabinet Member for Housing, which sought approval to accept a tender for the Services Refurbishment works at Beeverleigh Residential Tower Block, Clifton Lane.

Details of the tender and the tendered works were outlined.

Resolved:- That the tender submitted by Contractor A dated 18th January, 2016 be accepted and works commence accordingly.

51. COMMISSIONING AND PROCUREMENT OF ADVOCACY SERVICES 2016

Further to Minute No. 153 of the meeting of Commissioner Manzie held on 14th December, 2015, consideration was given to the report introduced by Councillor Roche, Cabinet Member for Adult Social Care and Health, which detailed the proposed future arrangements for advocacy services and the two service delivery option models.

Option 1 was the current model and may not meet future demand.

Option 2 was the proposed option and would seek to utilise voluntary and community organisations in the delivery.

It was proposed that the new service, which would be subject a fair and transparent tender process, would be aligned to the Council's strategic intentions, ensure it met the statutory obligations, ensure people were supported to express their views, understand their situation, make decisions about their care and support needs and achieve value for money.

Graeme Betts, Interim Strategic Director of Adult Services and Housing, explained that with the Care Act the Council had the opportunity to improve the provision and provide assurance and engagement in advocacy services moving forward.

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

(2) That Option 2 be approved and that the budget provision for this option be met as set out in Section 7.

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

52. PROPOSAL TO COMMENCE CONSULTATION FOR THE FUTURE OF INTERMEDIATE CARE

Consideration was given to the report introduced by Councillor Roche, Cabinet Member for Adult Social Care and Health, which recommended consultation on the proposal to consolidate the intermediate care provision in Rotherham. The proposal would absorb the service currently provided at Netherfield Court into Lord Hardy Court and Davies Court, to allow better deployment of other intermediate care therapy and social work resources and add further strategic value for the Council as it prevented the need for investment in Netherfield Court which was an ageing building.

It was also suggested that until a full consultation process had been undertaken paragraph 4.2 in the report be revised and the second sentence be removed.

Graeme Betts, Interim Strategic Director of Adult Services and Housing, outlined how the impact on existing residents would be minimal and would seek to improve the current arrangements and rationalise intermediate care services onto two sites rather than three.

Councillor Steele, Chairman of the Overview and Scrutiny Management Board, endorse the comments and was in full agreement with the revision to paragraph 4.2 in the report. He also asked that the report be submitted to Scrutiny as part of the consultation process.

Commissioner Kenny Resolved:- (1) That an eight week formal consultation be commenced on the proposal to absorb the intermediate care provision currently provided at Netherfield Court into Lord Hardy Court and Davies Court.

(2) That it be noted that the recommended decision on the future of Netherfield Court may change as a consequence of this consultation.

(3) That the information in the context of wider developing discussions around the overall future provision of intermediate care within Rotherham be noted.

(4) That the second sentence in paragraph 4.2 be omitted.

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

53. **SHORT BREAKS PROVISION - RECOMMENDATION OF PROVIDERS**

Further to Minute No. 36 of the meeting of Commissioner Newsam held on 12th January, 2016, consideration was given to the report introduced by Ian Thomas, Strategic Director of Children and Young People's Services, which detailed the statutory duty for all Local Authorities to publish a Short Breaks Statement.

The current contracts for short break provision expired on 31st March 2016 and following a needs analysis an open one stage European Union (EU) compliant competitive tendering process was commenced for provision of short breaks services for disabled children and young people in Rotherham.

These tenders have now been evaluated and proposals of the recommended provider of the contract from April 2016 was now proposed and set out in detail as part of the report.

It was noted that the Short Breaks Statement must be reviewed annually and include information for services, practitioners, parents, carers and young people in their area and include details of the range of short breaks services provided; how to access the criteria against which eligibility to services would be assessed; how the range of services was designed to meet the needs of children, young people and carers.

Commissioner Newsam Resolved:- (1) That the successful provider be awarded a contract for the delivery of short break services for disabled children for a two year period commencing April 2016.

(2) That an internal recharge of £5,945 be made to the Council's Autism Communication Team, for the period 1st April, 2016 to 30th June, 2016, to transition service users from the unsuccessful Chat 'n' Chill groups to the successful service provider, or to other support which meets their needs using a personal budget.

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

54. ROTHERHAM INDEPENDENT FOSTERING FRAMEWORK - COMMISSIONING AND TENDER OUTCOME

Consideration was given to the report introduced by Ian Thomas, Strategic Director of Children and Young People's Services, which detailed the re-commissioning of the independent fostering services, which were an important part of the overall strategic vision and paramount to the successful delivery of the commissioning intentions outlined in the Sufficiency Strategy, 2015-18.

This report, therefore, detailed the outcomes of that commissioning and tender exercise and sought to award the contract for the period 1st April, 2016 to 31st March, 2019, with an option to extend by a further year.

Councillor Alam, Cabinet Member for Corporate Services and Budgeting, welcomed the good progress with the inclusion of the Equalities Impact Assessment as part of the performance management arrangements.

Commissioner Newsam Resolved:- That the invitation of the successful providers identified in Sections 4.4 and 4.5 to join Rotherham's Fostering Framework be approved.

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

Summary Sheet**Council Report**

Cabinet Member for Housing

Title

Administration of "Breathing Space" (a regional mortgage rescue scheme)

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

No

Strategic Director Approving Submission of the Report

Graeme Betts, Interim Director of Adult Care and Housing

Report Author(s)

Name and job title: Sandra Tolley, Housing Options Manager

Directorate: Adults Care and Housing

Tel and email contact: ext. 255619 sandra.tolley@rotherham.gov.uk**Ward(s) Affected**

All

Executive Summary

The purpose of this report is to obtain approval for the Council's participation in the Regional Mortgage Assistance Loans Scheme, known as "Breathing Space".

The Regional Mortgage Assistance Loan Scheme is operated by Wakefield Metropolitan District Council on behalf of local authorities across the Yorkshire and Humber region, to enable them to offer loans to help home owners experiencing difficulties with their mortgage and/or secured loan payments.

There are no capital funding implications for the Rotherham MBC, however there are some resource implications, however these can be met within existing staffing arrangements.

Recommendations

It is recommended that Rotherham MBC participates in "Breathing Space," the Regional Mortgage Assistance Loan Scheme, operated by Wakefield Metropolitan District Council

List of Appendices included

- Appendix 1: Breathing Space Handbook
- Appendix 2: Loan Offer Letter
- Appendix 3: Agreement Letter for all Local Authorities
- Appendix 4: Covering letter for all Local Authorities

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

NO

1. Recommendations

- 1.1 That Cabinet approves participation in “Breathing Space”, the Regional Mortgage Assistance Loan Scheme, operated by Wakefield Metropolitan District Council.

2. Background

- 2.1. The Housing Solutions Team carries out the Council’s statutory homeless duties and its aim is to work with customers on the prevention of homelessness, being pro-active in its approach rather than reactive to situations. The team carries out specific tasks such as home visiting, family mediation, offering housing options and assisting in finding alternative accommodation. Its primary objective, however, is to help customers remain in their own home as opposed to becoming homeless.
- 2.2. In January 2009, the Government launched a national Mortgage Rescue Scheme (MRS) to assist customers who were in mortgage difficulties. Rotherham MBC quickly adopted MRS and started utilising the scheme at the beginning of March 09. During this period the Council experienced a high volume of applications for mortgage rescue. Unfortunately, the National Mortgage Rescue scheme has now ended. Low interest rates have helped to reduce the number of repossessions and the Housing Solutions Team are now only receiving low numbers of notifications, circa 9 per month from solicitors detailing repossession proceedings. However, although the numbers are low, participation in ‘Breathing Space’ would

provide another tool to enable the Council to assist customers to stay in their existing homes and in turn assist in preventing homelessness.

- 2.3. The Regional Mortgage Assistance Loan Scheme; “Breathing Space” is operated by Wakefield Metropolitan District Council on behalf of local authorities across the Yorkshire and Humber region, to enable them to offer loans to help home owners experiencing difficulties with their mortgage and/or secured loan payments.
- 2.5. The Regional Housing Board has allocated two million pounds for a regional mortgage assistance scheme. After considering the other options available, the Housing Board agreed that the existing Wakefield Council loan scheme should be rolled out throughout the Yorkshire and Humber region. It is left for individual authorities to decide whether they join the scheme.
- 2.6. As the Housing Board has provided the funding for the loans there are no capital funding implications for the Council. Participating local authorities are expected to undertake the initial stages of loan applications and forward the applications to Wakefield Council to process pay and secure a charge on the property in question. Local authorities may be required to assist Wakefield Council in recovery of the loan. There are therefore some staffing resource implications but far less than when the scheme was set up in 2009.

3. Key Issues

- 3.1. The scheme offers customers an interest free loan and payment free secured loan. The loan must be paid in full at the end of 3 years. Loan amounts are between £2,000 and £15,000 and can be used to pay off arrears or mortgage payments for up to 12 months instalments. If the customer can sustain their mortgage and has capacity to repay the loan in 3 years they will remain in their home. If the customer cannot sustain ownership in the longer term a loan will be made on a support for sale. The customer in all cases must agree to a 3 monthly review meeting to build financial capability and skills issues.
- 3.2. The scheme supports the Council’s Homelessness Prevention Strategy which aims to reduce homelessness by providing direct support to Rotherham residents in need. Breathing Space also supports the Gold Standard Programme which was developed as a result of the “Making every contact count” report published on 16th August 2012 by the Ministerial Working Group on Homelessness. This report introduced the 10 Local Challenges aimed at supporting local authorities to improve their frontline housing services and increase opportunities for early intervention and prevention of homelessness. Challenge 7 is to actively engage in preventing mortgage repossessions through a Mortgage Rescue Scheme.
- 3.3. Earlier last year Rotherham started the first step in achieving the Gold Standard. In order to make an application for each of the challenges, local authorities are required to demonstrate they are delivering a good baseline service which is measured by a Diagnostic Peer Review where 3 or more local authorities form a cluster group to peer review one another’s services

using the national diagnostic framework which ensures a consistent and transparent approach across the country. Rotherham scored 60% which enabled us to apply for the 10 local challenges. If the Council agrees to participate in “Breathing Space”, Rotherham can apply to achieve Challenge 7, “Preventing Repossessions”

- 3.4. Participation in Breathing Space was considered by Officers in November 2009. Approval was not given due to concerns about the capacity of the homeless team at the time. The Breathing Space Scheme in 2009 meant that individual participating local authorities were responsible for a large proportion of the administration, e.g. dealing with initial applications and recovery action and in Rotherham the team were already undertaking effective mortgage rescue applications through the use of the National Mortgage Rescue Scheme.
- 3.5. In 2009, both Finance and Legal Services were consulted on the proposals and at that time they were concerned that there was one-way indemnity in Wakefield’s favour contained in the terms of delegation. However, the scheme has now changed and these concerns no longer apply.
- 3.6. Locally, Barnsley has been a Partner of the Scheme since the beginning and Sheffield joined 3 years ago. Doncaster is also currently considering the option of joining. It costs nothing to join and funds are not allocated per authority, each loan is issued on needs and first come first served basis.

4. Options considered and recommended proposal

- 4.1. **Option 1** - To approve the policy to provide the Mortgage Breathing Space scheme and to allow Wakefield Council to discharge these functions.

Providing the Mortgage Breathing Space scheme will help people at risk of losing their home in their own locality.

Providing the regional scheme as a shared service will create efficiencies at the regional level. Wakefield Council already has the experience and procedures and processes in place to assess applications and make loan payments. Taking on this function on behalf of the other local authorities in the region will enable the speedy implementation of the regional scheme.

- 4.2. **Option 2** - Not to approve the policy to provide Mortgage Rescue Breathing Space loans and allow Wakefield to discharge these functions. The implications of this are that the funding provided by the Regional Housing Board will not be utilised to assist residents within the Rotherham area.

5. Consultation

- 5.1. This process provides additional support for home owners therefore no consultation has been required.

6. Timetable and Accountability for Implementing this Decision

6.1 The report is to be considered by Cabinet on 11 April 2016. Subject to the call in period the policy will be adopted thereafter.

7. Financial and Procurement Implications

7.1 The Regional Housing Board has provided the funding for the scheme for the region and therefore there will be no capital funding implications for the Council. Unrecovered loans are not recharged to the partner authorities so the Council would not have any financial risk. The Housing Solutions Team are currently able to undertake this work within existing staffing resources and funding is already in place for these posts, so no further finance is required. Funding is also in place within existing budgets to manage the printing and postage costs.

7.2 By not joining the scheme Rotherham residents would not be able to access assistance. There is also potential that by not joining the scheme Rotherham MBC could incur additional costs of rehousing owner occupiers if their property is repossessed.

8. Legal Implications

8.1. The Council's Legal & Democratic Services and Finance Department have been consulted. As no money will be lent by Rotherham MBC and the scheme will be administered by Wakefield MDC, it appears that the risk to Rotherham MBC would be small. The agreement letter for local authorities wishing to join makes clear that Rotherham MBC have to take care to ensure that the information passed on to Wakefield is accurate. This seems reasonable. The Housing Solutions section has quality performance management systems in place which will ensure that Rotherham MBC is capable of meeting that requirement.

8.2. To enable Wakefield Council to act as the Accountable Body for the scheme, formal approval is required to allow Wakefield to discharge these functions on behalf of Rotherham Council under the provisions of the Local Government Act 2000 and Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2000, in accordance with the Council's wellbeing powers under Section 2 of the Local Government Act 2000.

9. Human Resources Implications

9.1. N/A

10. Implications for Children and Young People and Vulnerable Adults

10.1. The provision of homeless prevention tools and securing a sustainable home is paramount to that of families and vulnerable adults. It also helps reduce the risk of financial hardship and improves the quality of life.

11 Equalities and Human Rights Implications

11.1. The scheme operates without prejudice and is open to all service users.

12. Implications for Partners and Other Directorates

12.1. The scheme may bring indirect benefits for other directorates and partners, particularly in reducing homelessness for families with children and local targets on homelessness prevention and financial inclusion/capability.

13. Risks and Mitigation

13.1. There are no risks in approving the recommendation.

The key risk in not approving the recommendation is shown below.

Risk	Risk Implication
Funding from the Regional Housing Board is not available in Rotherham	Some home owners in Rotherham at risk of losing their home Opportunity to further develop the range of Homelessness Services is lost.

14. Accountable Officer(s)

Dave Richmond, Assistant Director Adult Care and Housing

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services: - Kath Oakes, Principal Finance Officer - 30th December 2015

Director of Legal Services: - Adrian Phillips, Team Manager – Litigation, 31st December 2015.

SCHEME HANDBOOK

THE BREATHING
SPACE SCHEME
HANDBOOK

<u>CONTENTS</u>	Page No
Introduction to the Breathing Space Loan Handbook	3
Contacts	3
The Loan	
Purpose of the loan	4
How the loan works	4
Loan applicants and assessment criteria	4 - 6
What can the Breathing Space Loan cover?	6
Security	6
Fees	6
Property valuations	7
Loan approval	7
Lending Policy	7
Procedures	8 - 11
Interview Process	8
Packaging Process	8
Underwriting Process	9
Payments (completing the loan)	9
Repayment of the Breathing Space Loan	10
Dealing with cases that fall outside normal criteria	10
Complaints	10 - 11
Responsibilities of parties involved in the scheme	12 - 15
WMDC's (Breathing Space Team) responsibilities	12 – 13
Local Authority responsibilities	13 - 14
The Panel's responsibilities	14
Solicitor's responsibilities	15
Valuer's responsibilities	15
Definitions	16 - 17
Staff Loan Pack	
- Index	18
- Overview	19–21
- Documents	22 - 45

INTRODUCTION TO THE BREATHING SPACE LOAN HANDBOOK

The Breathing Space scheme is operated by Wakefield Council on behalf of the Local Authorities across Yorkshire and The Humber region, to enable them to offer loans to help owner occupiers in difficulty with their mortgage and/or secured loan. Wakefield Council will process and administer the Breathing Space loans for all of the participating Local Authorities from receipt of the client's referral to payment of the loan.

This Handbook covers the Breathing Space lending policy, processes and procedures between Wakefield Council and Local Authorities in the Yorkshire and Humber region.

Wakefield Council is not required to comply with the Consumer Credit Act and is not, because of its status as a 'housing authority', regulated by the Financial Conduct Authority.

Breathing Space loans must be dealt with according to the instructions in this Handbook and the training provided by Wakefield Council. This is to ensure all Applicants receive the same standard of service throughout the region.

Wakefield Council will provide training for Local Authorities participating in the Breathing Space scheme. Competent officers will be referred to as 'Caseworkers'. For the purpose of the Handbook, a Caseworker can be any officer nominated by the Local Authority, to undertake application interviews for Breathing Space loans. This includes officers who work for organisations contracted to deliver the Local Authority's homelessness service, or otherwise on behalf of the Local Authority.

Further guidance if required may be obtained from the Breathing Space team. Contact details are below.

CONTACTS

Email -	jhowley@wakefield.gov.uk
Tel. -	01924 305892
Fax:	01924 306325
Office Address –	Strategic Housing, Floor 2, Wakefield One, Burton Street, Wakefield, WF1 2EB

THE LOAN

PURPOSE OF THE LOAN

The Breathing Space Loan Scheme aims to prevent homelessness and support homeownership. The scheme provides loans to owner-occupiers in difficulty with their mortgage and/or secured loan payments.

HOW THE LOAN WORKS

- The loan is an interest free loan, secured as a legal charge against the Applicant's property, in the name of City of Wakefield Metropolitan District Council.
- There are no monthly repayments required
- The Breathing Space loan is repayable in full at the end of three years. The amount the Applicant pays back will be:
 - the amount of the loan
- If the Breathing Space Loan is not repaid when due, interest will become payable at the Bank of England base rate plus 3%.
- The Applicant has the right to repay the loan in full at any time. There are no early repayment charges payable if the loan is repaid early. Part repayments are allowed.

LOAN APPLICANTS AND ASSESSMENT CRITERIA

- The Applicant must own their property and occupy it as their main residence.
- All of the property owners must be party to the Breathing Space Loan.
- The Applicant must have sufficient equity in the property. The maximum value for all secured borrowing, including the Breathing Space Loan must not exceed 90% of the property value. Where the Applicant is within the repayment period of the Right to Buy discount, this will be taken into account as secured borrowing.
- The Applicant must be in difficulty with their mortgage (or secured loan) payments. The client either has incurred mortgage arrears, or is unable to meet their on-going mortgage instalments, and so is about to incur arrears.
- The cause of difficulties must be due to a recent and significant change of circumstances. Breathing Space is not intended to resolve issues of long standing debt.
- The Applicant must have received advice on their financial situation. This would normally be through an advice agency (see guide for sources of free advice). It is expected that the Applicant should have received advice on income and expenditure, maximising income, negotiating with lender,

possible alternatives to the Breathing Space loan, and assistance on any court proceedings or warrant of eviction. The Breathing Space loan is intended to be a last resort measure when other options cannot be applied to resolve client difficulties.

- The Applicant does not have the financial resources to pay their mortgage (and/or secured loan) instalments and/or arrears. A financial assessment will be undertaken to determine this by completing a Financial Assessment form.
- There must be an expectation that the Applicant will be able to meet their mortgage and any secured loan repayments after the period of assistance provided by the Loan, or will sell the property.
- The Applicant's application will be assessed by Wakefield Council on receipt of a referral, and they will consider all the information provided. The referral documentation required is as follows:
 - A land registry search that confirms the applicant is the owner of the property
 - A completed financial statement
 - A completed referral providing details of the difficulty and client contact details
- Wakefield Council will undertake an initial telephone consultation once the referral has been received. The purpose of this will be to better understand the client case and determine whether Breathing Space is the most suitable solution. If Wakefield Council assesses the referral and feels the Applicant has enough income to pay their housing costs and make acceptable arrangements with their lender(s) to repay any arrears, they may decline the loan and ask the Applicant to contact their lender(s). Negotiations and presentation of alternative offers will be made to the lender(s) on behalf of the client. If agreement cannot be reached with the lender(s), they may be re-considered.
- If Wakefield Council determines that a loan is appropriate then an application will be taken. Partners will be asked to provide accommodation at a local level within which to take the application. Officers from Wakefield Council will then attend and meet with the Client for the purposes of taking the Breathing Space loan application.
- As part of the application process, Wakefield Council will carry out the following:
 - A credit reference enquiry to check for adverse information. If an Applicant has adverse information registered against their name, it will not automatically disqualify them.
 - An independent valuation of the property.
- Wakefield Council will reserve the right to make a lending decision based on the information gained on a particular Applicant, but will ensure that all lending decisions are made prudently and responsibly.

- If a loan application is declined, Wakefield Council will send a letter to the Applicant and provide the Local Authority Partner with a copy.
- If the loan is approved, the Applicant will be sent a Loan Offer Document.
- The Applicant will be required to obtain Independent Financial Advice which will be paid for by the Scheme.
- Applicants will be advised that all payments will be made direct to their lender(s) by electronic funds transfer.

WHAT CAN THE BREATHING SPACE LOAN COVER?

- The Local Authority is responsible for helping the Applicant determine what help they would like from the loan scheme. This will normally be mortgage and secured loan arrears, and instalments for a period of up to 12 months (paid as a lump sum). Settlement of the mortgage or secured loan can also be considered, if it does not exceed the maximum loan amount. However the amount of the loan will be at the discretion of Wakefield Council and will be the minimum required to apply a robust solution.
- Where the Applicant can afford the on-going instalments but not the arrears, an appropriate level of instalments will be included as required, following discussions with the lender(s) and client. This is to ensure that there are no arrears at the time the loan is paid, which could result in difficulty on obtaining the lender's consent to register the legal charge.

SECURITY

- All Breathing Space loans will be secured as a legal charge against the Applicant's property, in favour of The Council of the City of Wakefield. The charge will rank after any charges that are already secured on the Applicant's property. For example, if the Applicant has a mortgage, Wakefield Council's charge will be the second charge. If the client has existing charges registered against their property, it is likely that those chargees will need to give consent for Wakefield Council's to register the charge for the Breathing Space loan.

FEES

- Loan set up fees will be paid from the Breathing Space funds. The Applicant is not required to repay them.

PROPERTY VALUATIONS

- In order to calculate the loan percentage, an independent professional valuation of the Applicant's property will be arranged by Wakefield Council. This is undertaken in accordance with the Royal Institute of Chartered Surveyors' (RICS) "Red Book" rules. This is to identify a realistic and accurate property value. The Valuer will confirm the market value of the Applicant's property and the re-instatement cost for insurance purposes, which the Applicant must insure their property for.

LOAN APPROVAL

- On receipt of the valuation and all necessary information eg from lenders, the loan will be agreed in principle, or rejected.
- Loan funds will only be released once the Applicant(s) has obtained independent financial advice, signed and returned the Legal Charge and Loan Offer Document, and the necessary consent(s) to the legal charge have been obtained.

LENDING POLICY

- The property must be owned and occupied by the Applicant/s.
- The Applicant must be at least 18 years of age (there is no upper age limit)
- The minimum loan amount is normally £2,000 and the maximum normally £15,000.
- The maximum loan to value of all secured lending (and including any Breathing Space loan) will not normally exceed 90% of the property value.
- Loan amounts outside of these limits **may** be considered according to their individual circumstances..

PROCEDURES**INTERVIEW PROCESS**

Wakefield Council will provide a Staff Loan Pack, which contains documents required for Breathing Space Loan interviews. Information will also be provided electronically. The Staff Loan Pack is updated periodically, so the latest version of the pack must always be used. A copy of the Staff Loan Pack can be found at the back of this handbook and should be referred to when reading this section.

An initial assessment of eligibility should be carried out prior to the application process commencing. The information needed for this assessment may be obtained during a telephone interview or other initial contact with the client. Local Authorities may want to adapt their own forms to ensure they collect sufficient information to identify whether Breathing Space is an option for the Applicant, or use the Initial Enquiry form provided in the Staff Loan Pack to determine whether the Applicant is likely to qualify for the Scheme.

Any language barriers with Applicants must be clearly identified at the referral stage and if applicable it would be best practice to appoint appropriate Council translators to attend the interview with the Breathing Space Scheme Officer. It is also strongly recommended that the Applicant's family is not used to translate at the interview – this is to prevent complaints/ challenges being made in the future, and for misinterpretation of information given in the interview.

PACKAGING PROCESS

This section should be read in conjunction with a copy of the Referral form that can be found in the Staff Loan Pack in this handbook. The Referral form is self-explanatory, but the following points should be noted:

1. Caseworkers must inform the Breathing Space Team by email or telephone if the case is being considered. E mail referrals and scanned documents are acceptable.
2. Caseworkers must complete and submit the Referral Form, unless the accompanying information provides everything that is required to allow Wakefield Council to take the application forward.
3. A Financial Assessment form must be enclosed/attached with the referral information.
4. A Local Authority search should be included within the package to verify that the Client is the legal owner of the property.

UNDERWRITING PROCESS

On receipt of the application Wakefield Council will deal with it as follows:

1. Confirmation of receipt of referral from LA
2. Financial assessment, online valuation and assessment of the referral.
3. Telephone consultation with the client and discussion to determine whether the referral is eligible.
4. Appointment made to take the application.
5. Application appointment with the client at the Partner Authority.
6. Lenders contacted, valuation undertaken, searches made, consents obtained.
7. Applicant contacted with provisional amount of loan, subject to any outstanding matters
8. Decision made
9. Loan offer document and legal charge document issued to Applicant
10. Applicant obtains independent financial advice
11. Payment issued direct to lender
12. Completion letter sent to Applicant
13. Invoice sent to the Applicant
14. Reviews undertaken at 3 monthly intervals – Wakefield will notify the Partner with a request for them to undertake the review.

PAYMENTS (COMPLETING THE LOAN)

Payment of the loan will be made directly to the Lender(s) for them to apply to the Applicant's mortgage and/or secured loan account. This will be issued when:

- the Applicant(s) has returned the signed loan offer document and the legal charge document.
- confirmation has been received that the Applicant(s) has obtained independent financial advice.
- all necessary consents have been received to enable the legal charge to be registered.

REPAYMENT OF THE BREATHING SPACE LOAN

The Breathing Space Loan is repayable in full at the end of three years or at the point of property completion if the loan has been provided to support the sale process. However the Applicant(s) may repay earlier, for instance if they remortgage or sell the property within the 3 year period. In some cases clients may wish to make regular repayments or sporadic part repayments during the 3 year term. Applicants will be given an invoice at the completion stage and information on how payments can be made

As part of the on-going loan review process during the 3 year loan period Applicants will be encouraged to make ad hoc or instalment payments to reduce their loan if this is affordable and sustainable; however, monthly repayments are not required.

DEALING WITH CASES THAT FALL OUTSIDE NORMAL CRITERIA

Where a case falls outside normal lending criteria, approval for the case to proceed should first be sought from the Breathing Space team, for instance where

- Loans would be less than £2,000
- Loan requirements would be in excess of £15,000. (The maximum Breathing Space loan cannot exceed £15,000 but flexibility to apply the loan as part payment where other mechanisms could be applied may be considered).
- Where the total secured borrowing, including the Breathing Space loan, would exceed 90% of the property value

COMPLAINTS

A complaint is a perceived or real failure to meet an Applicant's expectations or relevant participating Local Authority's standards of service, where it is not immediately resolvable and is received either verbally or written.

Complaints should be addressed to the Applicant's Local Authority in the first instance.

Each Local Authority's standard must be to assist, not resist complaints and treat them in a positive, helpful manner rather than negative criticism. Each Local Authority must deal fully with complaints regarding the Breathing Space Loan wherever possible, in line with their individual Local Authority complaint procedures. However, if it is not possible to resolve a complaint at local authority level, it must be referred to the Breathing Space team who will

decide the next course of action, which may include referral to the Breathing Space Panel.

If an individual Local Authority, the Breathing Space team or the Breathing Space Panel is not able to resolve an Applicant's complaint, they may be entitled to refer their complaint to the Local Government Ombudsman.

RESPONSIBILITIES OF PARTIES
INVOLVED IN THE SCHEME

WAKEFIELD COUNCIL'S (BREATHING SPACE TEAM'S) RESPONSIBILITIES

The Breathing Space team at Wakefield Council will:-

1. Provide a source of referral and financial guidance for Local Authority staff throughout the whole loan process.
2. Provide appropriate training and continued support to loan Caseworkers
3. Provide marketing literature.
4. Provide Local Authorities with appropriate referral documentation for their use.
5. Agree with all Local Authorities any changes to policy, processes, procedures and documentation.
6. Ensure the Applicant is provided with necessary documentation throughout the process, including an annual statement and a final statement plus advisory letter advising that the loan is due for repayment on the 3rd anniversary of completion.
7. Process cases promptly in accordance with the procedure laid down in this Handbook.
8. Provide sufficient information, e.g. monitoring reports, to allow the Local Authority to track and monitor individual loan cases
9. Deal with repayment of loans. Wakefield Council will generate an invoice/notification to the owner when the loan becomes due for repayment. Local Authority Partners may be requested to undertake recovery action if there is a failure in loan repayment. In such instances, Local Authority Partners may be asked to make "best endeavours" to recover outstanding loans on behalf of the Scheme. The costs associated with any action will be reimbursed if required.
10. Consider cases within their discretion that fall outside normal criteria. Ensure that if a proposed loan falls outside normal lending criteria, they follow the procedure for obtaining permission for the loan to proceed.
11. Co-ordinate the role of the Breathing Space Panel by:
 - Establishing a core Panel (made up of legal, finance and housing representatives) and preparing reports for consideration. Prepare reports for consideration by the Panel outlining the situation, providing options and making recommendations where required. Reports will be prepared in conjunction with the relevant Partner Local Authority to ensure agreement with any proposed actions.
 - Nominating an alternative representative where a Panel member is not available for any reason.

- Minute and co-ordinate the business of the Panel for audit purposes and action any agreed recommendations.
- Circulate recommendations made by the Panel for wider sign off by Regional and sub-regional partners as part of the over-arching Steering Group role.
- Coordinating (where appropriate) referral of outside normal criteria cases to the Special Cases Panel and notify Local Authorities of the outcome.
- Coordinating (where appropriate) complaints submitted to the Special Cases Panel and notifying Local Authorities of the outcome.
- Attend the Regional Steering Group to update on the Breathing Space Scheme progress, issues and future strategies.

LOCAL AUTHORITY RESPONSIBILITIES

Local Authorities will:-

1. Adhere to procedures laid down in this Handbook and Staff Loan Pack.
2. Deal with client referrals in accordance with the processes laid down in this Handbook and Staff Loan Pack.
3. Ensure that documentation used, e.g. enquiry and review forms are the latest versions provided by Wakefield Council or if internal documentation is used that all the relevant information is contained within it.
4. Refer clients for support in accordance with the processes laid down in this Handbook and Staff Loan Pack.
5. On the request of Wakefield Council, contact the Applicant to follow-up documentation or obtain additional information if required.
6. Where possible, seek advice from Wakefield Council by email, so that both the Local Authority and Wakefield Council have a record of the information/advice sought and response given and that if the query relates to a particular case, will provide the client's name, address and contact details.
7. Keep up to date with any agreed changes to processes and procedures as notified by Wakefield Council.
8. Inform Wakefield Council if a loan applicant's details or circumstances change.
9. Inform Wakefield Council as a matter of urgency of any eviction warrants or court proceedings relating to the mortgage, secured loan or charging orders etc.

10. Ensure that Applicants are provided with appropriate advice and support in respect of any court action affecting the property or eviction warrant, or directed to an agency which can provide this.
11. Provide all necessary documents to enable the loan to be progressed.
12. Where required, provide feedback on individual client cases for consideration by the Breathing Space Panel.
13. Contact the Applicant for regular reviews (3 monthly) during the term of the loan.
14. Undertake the recovery of amounts not paid at the end of the 3 year loan period as requested.

BREATHING SPACE PANEL RESPONSIBILITIES

Ultimate responsibility for the control and monitoring of the regional scheme is taken by Wakefield Council as the Accountable Body. Within this scheme the decision of Wakefield Council in terms of any variation in loan to be offered is final.

The Breathing Space Panel with the Breathing Space Manager from Wakefield Council, who will act as the chair of the panel will consist of representatives from Wakefield Council's housing, legal and finance disciplines. Representation from each local authority whose loan is in dispute will also be incorporated into the decision making process at the report and recommendation stage. Sub-regional endorsement and opinion will also form part of this decision making process. Although group recommendations will be made in respect of any disputes, the overriding decision will be that of the Breathing Space Manager from Wakefield Council. The final decision will still be Wakefield Council in consultation with other sub-regional representatives.

The Breathing Space Panel will: -

- Consider cases outside criteria that fall outside Wakefield Council's discretion.
- Assess any disputes or issues that arise from the Breathing Space loan.
- Consider if anything can be done to help Applicants who may experience extreme financial hardship on repayment of the Breathing Space loan - each individual case will be assessed on its own merits, but **must be exceptional circumstances**.
- Deal with complaints referred to them by Local Authorities.
- Consider whether to refer a case to the Local Authority for recovery action on non repayment of the Breathing Space Loan.

SOLICITORS RESPONSIBILITIES

Wakefield Council's Legal Services will complete the legal work involved in the loan process. They will:-

1. Send all relevant forms to the Applicant to sign.
2. Make all legal checks that are required including the confirmation of title.
3. Liaise with the Breathing Space Team and the Local Authorities in respect of Applicant queries that need to be resolved for legal purposes.
4. Register the legal charge in favour of City of Wakefield Metropolitan District Council on the property.

VALUER'S RESPONSIBILITIES

The independent valuer will:

1. Be appointed by Wakefield Council to carry out a valuation of the property to confirm the current market value.
2. Be suitably qualified, through the Royal Institute of Chartered Surveyors, and experienced to undertake residential valuations in the client's area.
3. Confirm the re-instatement cost of the property for insurance purposes.
4. Provide the information in a valuation report. In turn a copy will be sent to the Applicant, if the applicant requests it.

DEFINITIONS

BANK OF ENGLAND BASE RATE - The interest rate set by the Bank of England (the central bank of the UK) for lending to other banks

BANKRUPT - A person who has been deemed by a Bankruptcy Court as financially unable to pay debts when due.

FINANCIAL STATEMENT FORM – Income and expenditure form, completed to ascertain whether or not the client is likely to be able to pay their mortgage/secured loan and any arrears without the Breathing Space loan.

CASEWORKER – Local authority officer who has been trained and is competent to carry out Breathing Space interviews. This includes officers who work for organisations contracted to deliver the Local Authority's homelessness service, or otherwise on behalf of the Local Authority. The Caseworker is responsible for interviewing eligible Applicants and completing the necessary paperwork to submit to Wakefield Council, in addition to acting as the point of contact for the client through the entire process, both before and after completion of the loan.

CERTIFIED – Stamped and annotated, to show that the copy is a true copy of the original document.

CHARGE – The name given to someone who has the benefit of a charge over the property, for example a mortgage lender.

CREDIT REFERENCE SEARCH – A search conducted by WMDC. The search provides information about any adverse credit that the client may have and also confirms whether or not the client appears on the Voters' Roll. The client gives authority for WMDC to carry out the search when they sign the declaration on their Breathing Space application form.

A GUIDE TO THE BREATHING SPACE SCHEME – A document that must be given to the Applicant to help them to decide if our services are right for them. It sets out what assistance the Applicant will receive when choosing the loan, details of any fees payable and how they can make a complaint. This takes the place of a customer information document.

EQUITY - The value of the Applicant's property, less the value of secured borrowing, including the Breathing Space Loan.

LOAN OFFER DOCUMENT (LOD) – Includes information about the Breathing Space secured loan to enable the Applicant to check the features before deciding whether to accept the offer. To accept the offer the Applicant signs and returns the LOD, after obtaining advice from an independent financial adviser.

LOANS OFFICERS- Officers at Wakefield Council who receive, underwrite, process and administrate the loans on behalf of the local authorities. They are also responsible for training *Caseworkers*.

BREATHING SPACE TEAM – Loan officers based at Wakefield Council.

FACE TO FACE INTERVIEW QUESTIONNAIRE – Used during the loan interview to collect and impart information. The Face-to-face Interview Questionnaire contains all the information about the Breathing Space loan scheme that the Caseworker must tell the Applicant.

INSURANCE POLICY SCHEDULE – A document supporting an insurance policy, which details amongst other things the re-instatement amount and period of cover; usually issued annually.

LAND REGISTRY - The body responsible for recording details of land in England and Wales.

LEGAL CHARGE- The main way of creating a mortgage/secured loan in England and Wales. The charge is created by a deed. The deed contains the conditions to which the borrower is bound from the time the deed is signed and is a formal binding contract between the lender and the borrower.

REPOSSESSION - To reclaim possession of the property for breach of terms and conditions, or failure to pay the amount due.

STAFF LOAN PACK – A document containing most of the forms that may need to be completed or referred to during the Breathing Space interview.

TITLE DEEDS - Documents evidencing the ownership and extent of a property. They also set out any rights or obligations that affect the property and show whether there are any mortgages on it.

WAKEFIELD COUNCIL – The Council of the City of Wakefield. Wakefield Council administrates the Breathing Space loan scheme on behalf of participating local authorities in Yorkshire and Humberside.

STAFF LOAN PACK

CONTENT	PAGE NO
OVERVIEW OF PROCESS	19 - 21
DOCUMENTATION	22
Mortgage Enquiry Initial Interview form	23 - 25
Terms and conditions	26 - 32
Financial Assessment Form	34 - 38
Referral Form	40 - 41
Review Form	42 - 44

OVERVIEW

INITIAL ENQUIRY

When taking an initial enquiry, it is important to be aware of other options which may be suitable for the client. Also the client's situation may be resolved through speaking to the lender or through receiving money advice. Be aware that some enquirers will need urgent advice as they may be facing an imminent possession hearing or even eviction. **Even if the eviction date is tomorrow it may not be too late to act. Breathing Space has also been successfully applied after eviction in a very small number of cases.**

You should ensure that you know who to refer clients to locally who can advise and assist them, e.g. to apply for a warrant to be suspended. In urgent cases you should undertake the initial assessment for Breathing Space immediately and, where it looks as if the client will meet the eligibility criteria, Wakefield Council can provide a letter for court confirming this and stating that more time is needed to take and process the application.

Clients need to have obtained advice on their situation before their Breathing Space referral is considered. In urgent cases you may want to contact your local advice agency to arrange an urgent appointment. The Breathing Space team are happy to give telephone advice on potential referrals, especially when they are urgent or do not fully meet criteria.

Do a preliminary check of the value of the property using internet or any other facilities available to you. If there clearly is not enough equity in the property, you should not continue with the referral.

A financial statement should be completed as this will indicate potential alternative solutions.

As part of the initial referral, you may wish to contact the mortgage lender and any secured loan company to inform them, enclosing the applicant's authority for you to do so.

If a referral cannot go ahead you will need to advise the client and outline their options at that point.

REFERRAL TO Wakefield Council

The referral form contains a checklist for you to use to see if the applicant meets the scheme's criteria.

The referral procedure has been much simplified and you now only need to send the following:

- Referral form
- Land Registry Search

- Completed financial statement
- An overview of the problem including contact information for the client (a covering e mail is acceptable).

Referrals can be made by e mail or post, as preferred by the partner Local Authority.

AFTER REFERRAL

Once the referral has been received, it will be allocated to a Loans Officer to progress. Wakefield Council will make contact with the client and explain how the referral will now proceed and what they can expect. An initial telephone interview will be conducted to clarify the financial statement and understand the client situation in more detail. If the referral is still deemed to be viable, an appointment will be made with the client to take the Breathing Space loan application.

Applications will be taken at the Partner Local Authority offices and the referring authority will be asked to provide a suitable interview room for this. This minimises travel for the client. The application usually takes about 2 hours to complete. The client will be notified in advance of the meeting of information and documents to bring with them.

Wakefield Council will contact the applicant's lenders and advise them of the client's referral to the Breathing Space Scheme. Consent for any loan will also be sought. A formal valuation will be commissioned on the applicant's property as part of the application process. The charge for this is met by the Scheme.

When it is possible to calculate the amount of the loan, the applicant will be contacted to check this, before a decision is made. The decision may be made subject to conditions e.g. that the lenders provide consent for the legal charge or that the client provides proof of buildings insurance. Clients who cannot sustain their mortgage in the longer term may be offered a loan on condition that they sell their home and maximise any residual equity.

Where a loan offer is made, the applicant is required to obtain independent financial advice (from a suitably qualified and licensed adviser) before they accept the loan. The charge for this is met by the Scheme.

The applicant then has to return the signed Loan Offer Document and the signed and witnessed Legal Charge Document to Wakefield Council, before the loan can be issued. Payment is made direct to the lender(s) and is usually a single payment to clear arrears and cover future instalments for an agreed period.

Once the payment has been applied to the client account by the lender, a completion letter will be issued to the applicant advising them that the 3 year loan period has begun.

The Breathing Space team will notify the Local Authority that the loan has completed.

REVIEWS

The Breathing Space Scheme requires that the applicant agrees to regular reviews to monitor their progress. Reviews are a loan condition in the Loan Offer Document. Monthly reports will be provided to each Local Authority partner to update on live loan cases and also to highlight those clients needing a review within the coming month. These are the responsibility of the Local Authority and should be carried out every 3 months. The review may be carried out at a meeting, or by telephone or by post. Clients who fail to engage may be deemed to be in default with their loan. The Breathing Space team can assist Local Authority partners who are having difficulties in contacting clients.

The purpose of the review is to discuss the client situation and to act as an “early warning system” for emerging problems. However, the review is to ensure clients are thinking about how they will repay the Breathing Space Loan. This includes selling their property if they have no other repayment vehicle in place at least 12 months before the loan due date. Whilst repayments are not required during the 3 year loan period, clients should be encouraged to make ad hoc payments if they are in a position to do so, as a means of reducing their overall loan.

If they experience further difficulty with maintaining their mortgage, they may need housing options advice.

REPAYMENTS

Applicants are not required to make any repayments within the 3 year loan but they can do so if they wish. Wakefield Council will supply an invoice to the client when their loan application completes. This details how payments can be made.

If the Applicant is unable to repay the loan in full at the end of the 3 year period, each case is evaluated on its individual merits. Wakefield Council will work in partnership with the Local Authority to prepare a report for consideration by the Special Cases Panel and for a decision on how to proceed. Where the loan is not repaid and the Panel decide that recovery action is appropriate, the Local Authority will be asked to make best endeavours to recover the loan on behalf of the Scheme. The costs associated with recovery can be reclaimed. If the loan cannot be recovered, the debt is borne by the Scheme and not the Local Authority Partner.



DOCUMENTATION

BREATHING SPACE MORTGAGE ENQUIRY – INITIAL INTERVIEW

Date:

Officer:

Name	
Telephone	
Address	
	Post Code:
Is enquiry about:	Breathing Space Loan/Mortgage Rescue Scheme/ both/not specified
Cause of difficulty with mortgage:	Relationship breakdown/ill health/jobloss/reduced income/increased mortgage payment/bankruptcy/other Details:

Property details:

Estimated value of property	
Whose names are on the deeds	
Are there any owners who do not live at the property	Y/N Details
Was it a right to buy property	Y/N
Date of purchase	

Details of mortgage

name of lender	
balance	
has lender started court action?	

Details of any secured loans

name of lender	
balance	
has lender started court action?	

name of lender	
balance	
has lender started court action?	

Details of any charging orders

name of lender	
balance	

Household

Surname	Other names	DOB	Age	Relationship
	Baby Due? EDD			

Is anyone in the household elderly/disabled/sick? Y/N Details:

Has client had recent money advice?

Details of advice agency consulted

Do they have a recent financial statement (statement of income and expenditure)? Y/N

Who referred the client to the local authority: self/lender/money advice/courts/other

Ethnicity: White/mixed/Asian or British/Black or Black British/Chinese or other ethnic group/not stated

Action

Explain to the client that they should speak to the lender and seek money advice (if they have not already done so) and send them information pack.

Refer urgently for advice if they have a court date or eviction warrant

Refer to housing options/homelessness team if they are concerned about rehousing (housing options advice) or are to be evicted within 28 days (homelessness interview)

Action taken (please tick)

Info pack provided

Referred to lender

Referred for advice

Referred to both lender and advice

Referred for housing options advice

Referred to homelessness interview

Other

Further details of problem

Details of any court hearing

Details of any payment protection policies

Breathing Space Loan Scheme

Client's wishes (eg wanting to stay, sell, etc)

What does client wish to borrow?

How does client hope to meet mortgage and secured loan repayments in the future?

How does client hope to repay the Breathing Space Loan at end of 3 years?

Initial Assessment (see form *Eligibility Check after Initial Interview*) :

Able to proceed?

Yes/No/Deferred state reasons :

<u>Checklist</u>	Date
Client informed whether or not able to proceed	
Breathing Space Guide issued	

Terms and Conditions for the Breathing Space Loan Scheme

1 Purpose of the loan

- 1.1 The Breathing Space Loan is available to owner occupiers in difficulty with their mortgage payments. Its purpose is to help Applicants to avoid repossession of their home.

2. Amount of loan

- 2.1 The maximum amount of the loan available is £15, 000. The minimum amount is £2,000.
- 2.2 In calculating the loan assistance that can be offered, Wakefield Council will take into account the amount of arrears outstanding on the prior mortgage or secured loans at the date of the loan application and a maximum of 12 months future monthly instalments on the mortgage or secured loan if required. Alternatively the Loan may be based on the redemption figure of the mortgage and/or secured loan or the loan which is subject to the charging order, if this is below the maximum loan amount.
- 2.3 The Loan can provide assistance in respect of a first mortgage, or second or subsequent mortgage, secured loan or to redeem a charging order. Where there are arrears on more than one mortgage, secured loan or charging order the Loan can be used towards more than one mortgage, but the total cannot exceed the maximum loan limit of £15,000.

3 Eligibility Criteria

The Applicant must satisfy the following criteria to be considered for the Loan:

- 3.1 The Applicant must have an owner's interest in the property on which the mortgage is secured. **All legal owners of the property must agree to accept joint and several liability for the loan.**
- 3.2 **The Applicant must be resident at the property and this must be their only home.** Where there are joint owners, it is sufficient in certain circumstances to be approved by Wakefield Council or the Special Cases Panel that only one of them fulfils this condition.
- 3.3 **The Applicant has sufficient equity in the property.** The maximum value for all secured borrowing, including the Breathing Space Loan must not exceed 90% of the property value. Where the applicant is within the repayment period of the Right to Buy discount, this will be taken into account as secured borrowing.

- 3.4 **The Applicant is in difficulty with their mortgage or secured loan payments, or a charging order is forcing legal action.** The client either has incurred mortgage or secured loan arrears or is unable to meet their mortgage or loan instalments and so is about to incur arrears.
- 3.5 **The cause of difficulties must be due to a recent (within the last 12 months) and significant change of circumstances that are outside the control of the client** eg unemployment, sickness, drop in income, or any other circumstance considered reasonable by the Special Cases Panel in its sole discretion. The Loan is not intended to assist those with issues of long term debt and money mis-management. Wakefield Council will have sole discretion to decide whether this criteria has been met by the Applicant.
- 3.6 **The Applicant has received recent advice on their financial situation.** Advice can be obtained from an advice agency, eg Citizens Advice Bureau, who can discuss all options.
- 3.7 **The Applicant does not have the financial resources to pay their mortgage or secured loan instalments and/or arrears.** A financial assessment will be undertaken to determine this and other options will be considered before a loan is offered.
- 3.8 **There must be an expectation that the Applicant will be able to meet their mortgage and any secured loan repayments after the period of assistance provided by the Loan, or will place the property on the market either prior to a loan being provided or during the loan period if circumstances change for the worse or do not improve.** This will be assessed by the loan officer on the facts of the case, taking into account potential increases in income or reductions in expenditure. Wakefield Council will carry out a credit reference search and will take into account the whole of the Applicant's financial situation in deciding whether a Loan is appropriate.
- 3.9 If property sale is the nominated loan repayment vehicle, the Loan will only be completed once the property has been marketed for sale.

4 Conditions

- 4.1 The Applicant will be eligible for one Loan only.
- 4.2 The Applicant will be required to obtain independent financial advice before they enter into the Loan with the Council.
- 4.3 The Applicant must agree to receive debt counselling and money advice during the loan application process.

- 4.4 The Applicant must agree to 3 monthly review meetings to monitor their financial situation. The client must agree to provide review information and sign consent to allow Wakefield Council to engage with lenders and other creditors. If appropriate, the Applicant must agree to receive wider additional money advice.
- 4.5 The Loan will be secured on the property by registering a Legal Charge at Nottingham (West) District Land Registry.
- 4.6 All owners of the property must be party to the application for it to be considered.
- 4.7 Adequate building insurance for the property must be maintained during the Loan period and a copy provided to the Council if required.
- 4.8 The property must be kept in good repair throughout the Loan period.
- 4.9 The applicant (or, in Exceptional Cases of a joint application, one of the applicants) will occupy the property as his or her only residence throughout the loan period. The property must not be left empty for over 30 days without an appropriate reason and must be notified to Wakefield Council. **Sub-letting of the property is not permitted without the permission of Wakefield Council.**
- 4.10 The loan must be repaid in full at the end of the three year term or on first disposal of the property. Where the property is in joint ownership and is subsequently transferred to one of those owners singularly then Wakefield Council should be informed. The Panel in its sole discretion will decide whether this disposal will be exempt of the repayment requirement.
- 4.11 **If there is a breach of the above conditions 4.4, 4.7, 4.8, 4.9, and 4.10 the owner/s shall on demand from the Council repay the full loan or lesser amount decided by the Panel in its absolute discretion as being reasonable in the circumstances.**
- 4.12 Where the home is jointly owned all the owners will be jointly and severally liable to pay the loan in full.
- 4.13 Wakefield Council shall be entitled to demand immediate payment of the loan together with all other sums then owing but unpaid, upon the happening of any of the following events:
- If in the event of the applicant's death the property has not been sold or loan repaid within a period of 18 months by the executors of the applicant's estate: OR
 - If someone else moves into the property with the applicant, without the consent of the Council: OR
 - If the applicant lets out the property to another party without the prior approval of the Council: OR

- The applicant ceases to live in the property as their principal residence or the property changes type from an owner occupied residential property: OR
- If any information provided by the applicant for the purposes of the loan proves to be incomplete or inaccurate: OR
- The applicant takes out an additional charge secured against the property, other than any mortgage or loan taken without the full knowledge and agreement of the Council at the time the property is purchased: OR
- The applicant takes out a further advance of monies from a mortgage provider who either already has a charge registered on the property or subsequently takes a charge over the property without obtaining the Council's written consent.

General Terms

- 4.14 In the event that the loan does not proceed to completion, Wakefield Council will not be liable in law or otherwise for any claims, costs or loss.
- 4.15 All assistance in this policy is subject to available financial resources and the final decision to approve or refuse an application for assistance is at the sole discretion of Wakefield Council. In making an application for any assistance under this policy, applicants will be required to sign and accept the conditions. Applicants should seek independent legal and/or financial advice.

5 Applications

- 5.1 Where there are joint owners of a property, only one application can be made.
- 5.2 Loan applications will normally be considered in order of date of receipt of application. If demand exceeds available funds the loans officer will develop a process to prioritise cases with reference to the priority need criteria at paragraph 10.2 of the Homelessness Code of Guidance for Local Authorities (Department for Communities and Local Government, 2006).
- 5.3 Enquiries regarding applications for assistance can be made at:

Breathing Space Homeowner Support Team
01924 305892

Or in writing to:
Strategic Housing
Wakefield Council
Wakefield One
Wakefield
WF1 2EB

E mail: mortgagehelp@wakefield.gov.uk

6 Exceptional cases

- 6.1 Where an application for assistance is made outside the approved policy, this will be considered by the Lead Officer, Homeowner Support Team and Wakefield Council's Service Director, Strategic Housing who will determine whether it can be approved or refused on a case by case basis.

7 Breathing Space Loan Support Grant

7.1 Where the Loan is provided, a Breathing Space Loan Support Grant will be provided to cover the initial setting up costs of the loan if they are charged in respect of:

- Property valuation fee
- Legal Fees
- Administration costs
- Independent Financial Advice up to a capped ceiling amount.

A Loan Support Grant will be automatically considered on receipt of the application for the Breathing Space Loan.

8 Payment of the loan

- 8.1 The loan will be paid directly to the mortgagee (mortgage lender) or client's solicitor where appropriate on completion of the legal charge.
- 8.8 The loan will not be paid if the property is repossessed or if all the applicants give up residence in the property before payment of the loan has been issued to the mortgagee (mortgage lender).

9 Repayment

- 9.1 The loan will be an interest free, fixed term loan for 3 years from the date stated on the loan completion letter. Repayment will be deferred for up to 3 years. The loan is to be repaid in full by the end of the 3 year term.
- 9.2 Any sum outstanding after the end of the 3 years fixed term will accrue interest, which will be charged at 3% above the Bank of England base rate which is current on the date that the 3 year fixed period expires.
- 9.3 The Special Cases Panel will consider cases of financial difficulty sympathetically and positively. However any recovery action on failure to repay the loan will be the responsibility of the Council.
- 9.4 Court action to enforce repayment (which can result in repossession of the property) may be taken by Wakefield Council if the Loan is not repaid at the end of the three year loan period, or the client defaults on conditions 4.4, 4.7, 4.8, 4.9 or 4.10.

10 Complaints procedure

- 10.1 The Council has a complaints procedure. A complaint can be made by contacting the Complaints Team:

Email: customerrelations@wakefield.gov.uk

Tel: 01924 305757

Fax: 01977 724308

Wakefield One
Burton Street
Wakefield WF1 2EB

11 Appeal procedure

- 11.1 If an applicant wishes to appeal a determination on their loan application, an appeal can be made to:

The Lead Officer, Homeowner Support Team
Strategic Housing and Economic Growth
Wakefield One
Burton Street
Wakefield
WF1 2EB

Tel: 01924 305892

Fax: 01924 306325

E mail: mortgagehelp@wakefield.gov.uk

Definitions

- 12.1 The **Applicant** is defined as a person who occupies the property as their only or main home.
- 12.2 **Owner's Interest** is defined as a freehold interest or a leasehold interest of at least 50 years.
- 12.3 **First Disposal** means any change or alteration in the proprietorship register at HM Land Registry.
- 12.4 **Independent Financial Advice** means advice from an independent financial adviser or whole of market mortgage adviser.
- 12.5 **The Council** means Wakefield Metropolitan District Council
- 12.6 **The Special Cases Panel** means a panel of representatives from the councils participating in the Breathing Space scheme appointed to make decisions on exceptional cases and recovery of Breathing Space loans.
- 12.7 **Exceptional Case** means an individual situation relating to a loan application to be decided in accordance with clause 6.
- 12.8 **Exempt Disposal** means a disposal of the property during the 3 year loan period to be considered by the panel in their sole discretion as one where repayment of the loan is not required at that time.

FINANCIAL STATEMENT

NAME _____

ADDRESS _____

No of People in Household: _____

Date: _____

STEP 1 Monthly/ Weekly	INCOME
Wages/Salary	
Wages/Salary (Partner)	
Other wages	
Job Seekers Allowance	
Income Support	
Work/Child Tax Credit	
Retirement/Works Pension	
Child Benefit	
Incapacity/Sickness Benefit	
Maintenance	
Non-dependents' Contribution	
Other	
TOTAL INCOME	£ 0.00

STEP 2 - IDENTIFY EXPENSES

List all expenses and ask probing questions to obtain a full picture. For Car Loans, only hire purchase is a priority debt, other loans are unsecured.

unsecured.

STEP 2 (continued) Monthly/ Weekly	EXPENSES	ARREARS
Housekeeping		
School/Work meals		
TV Rental and Licence		
Car: Finance		
Insurance		
Petrol		
Maintenance and repairs		
Clothing		
Laundry		
Telephone: landline		
Mobile 1		
Mobile 2		
Mobile 3		
Prescription Charges		

STEP 2 Monthly/ Weekly	EXPENSES	ARREARS
Mortgage		
Mortgage Endowment Policy		
2nd Mortgage/Secured Loan		
Secured Loan		

Rent		
Council Tax		
Water Rates		
Buildings/Contents Insurance		
Life Insurance/Pension		
Gas		
Electricity		
Other Fuel		
Sub total	0.00	0.00

Child Minding		
Maintenance Payments		
Magistrates' Court Fines		
Other		
Other		
Other		
Sub total brought forward	0.00	0.00
TOTAL EXPENSES £	0.00	0.00

STEP 3	MONEY LEFT
TOTAL INCOME	£0.00
MINUS TOTAL EXPENSES	£0.00
MONEY FOR PRIORITY DEBTS	£0.00

STEP 4	STEP 5	
PRIORITY DEBTS	Amount Owing	Offers Agreed
Mortgage Arrears	0.00	
2nd/Mortgage/Secured Loan Arrears	0.00	
Secured Loan	0.00	
Rent Arrears	0.00	

STEP 7	Amount Owing	Offers Agreed
NON PRIORITY DEBTS		
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
TOTAL OWED	£0.00	
TOTAL POTENTIAL OFFERS		£0.00

Capital	AMOUNT	DETAILS
----------------	---------------	----------------

Council Tax Arrears	0.00	
Poll Tax Arrears		
Water Rates Arrears	0.00	
Fuel Debts: Gas	0.00	
Electricity	0.00	
Other		
Magistrate Court fines	0.00	
Fines Arrears		
Maintenance Arrears	0.00	
Car hire purchase		
Other		
Other		

STEP 6	
TOTAL PRIORITY DEBTS	£0.00
MONEY AGREED FOR PAYMENT	£0.00
MONEY TOWARDS NON PRIORITY DEBTS	£0.00

Cash	0.00	
Bank account	0.00	
Bank account	0.00	
Bank account	0.00	
Bank account	0.00	
Bank account	0.00	
Building society	0.00	
Premium bonds	0.00	
Stocks and shares	0.00	
Unit trusts	0.00	
Life Assurance policy	0.00	
Endowment policy(not linked to mortgage)	0.00	
Redundancy payment	0.00	
Pension lump sum	0.00	
Other		
Other		
TOTAL	0.00	

Debts/bankruptcy	DETAILS
County Court judgements	
IVAs	
Bankruptcies	

Breathing Space Equity/Loan to Value Calculation	Step 1
---	---------------

Property Value	
----------------	--

Existing Charges	
Mortgage	
Secured Loan 1	
Secured Loan 2	
Secured Loan 3	
Charging Order 1	
Charging Order 2	
Charging Order 3	

Total existing Charges	£0.00
-------------------------------	-------

Current loan to value level	#DIV/0!
------------------------------------	---------

Available equity	£0.00
-------------------------	-------

Breathing Space Element:-	
Arrears (inc charges if necessary)	£0.00
Instalments	£0.00
Savings (disregard the first £1,000)	

Total Breathing Space Loan Required	£0.00
-------------------------------------	-------

Overall property charges	£0.00
--------------------------	-------

Arrears/CMI	Step 2
--------------------	---------------

Loans	1	2	3	Total Arrears
Arrears				£0.00
CMI				
Months(12 months max)				
Total CMI	£0.00	£0.00	£0.00	£0.00

Total Both				£0.00
-------------------	--	--	--	--------------

Client Signature to verify accuracy:

Client Signature to verify accuracy:

Officer Signature to

witness:

IF TOTAL IS LESS THAN £2,000 OR MORE THAN £15,000 THEN BS LOAN CANNOT GO AHEAD

Overall loan to value level	#DIV/0!
-----------------------------	---------

IF LOAN TO VALUE LEVEL IS MORE THAN 90% THEN BS LOAN CANNOT GO AHEAD

REFERRAL FORM

Client details

Name	
Address	
Post code	
Telephone no.	

Local authority details

Local Authority name	
Address	
Referring officer's name	
Telephone number	
E mail address	
Local authority reference	
Case worker's signature	

Does application meet the Breathing Space criteria? Y/N

Does client own the property?	Y/N	
Is the client resident in the property as their only home	Y/N	
Do they appear to have enough equity?	Y/N	State approx valuation: State estimate of total secured debt: State % State % including approx BS loan
Are they in difficulty with their mortgage/secured loan payments?	Y/N	
Is the cause of the difficulty due to a change of circumstances?	Y/N	State reason:
Has the client received advice on their financial circumstances?	Y/N	State agency:
Does client satisfy the financial assessment?	Y/N	
Do they expect to be able to make their mortgage/ secured loan payments in the future (max 1 year)? Or do they expect to sell the property?	Y/N	State how/why:
Have all owners signed the application form?	Y/N	Details:
Are there any circumstances which make it unlikely the client will be able to repay the MAL (taking in to account client's age,	Y/N	

health, any expected change in circumstances)?		
Are there any other circumstances which may lead to loss of the home eg potential enforcement action by other creditors, bankruptcy?	Y/N	
<i>Any potential difficulties?</i>	Y/N	Details:
<i>Any other information?</i>	Y/N	

Have you enclosed the following documents?

Land registry search	
Application form	
Face to Face document	
Financial Assessment form	
Proof of income and capital	
Proof of identity	
Confirmation of identity form	
Documentation relating to mortgage/secured loans/charging orders	
Proof of buildings insurance (if the Applicant does not have this, it will need to be provided before the loan payment is issued)	

Any missing documents and when will they come?

--

Send to: Breathing Space Scheme, Floor 2, Wakefield One, Burton Street, Wakefield, WF1 2EB
 Tel: 01924 305892
 E mail – jhowley@wakefield.gov.uk

Client Review

Date:

Loan Amount: £

Loan Repayment Date:

Name:

Address:

Email Address:

Landline Number:

Mobile:

Review question	Clients Response	Comments & Advice Given
Has the Mortgage Assistance Loan achieved its aim?		
<u>Has there been any relevant change in your household circumstances?</u>		
Has your income/employment status changed since your last review?		
Who is currently living in the house with you? Update the budget with info		
Do you have any arrears on your priority debts? If so, how much, to whom and have you made an offer to discharge your arrears. Include this in the budget	Mortgage Arrears: Yes/No Secured Loan Arrears: Yes/No Council Tax Arrears: Yes/No Water Arrears: Yes/No Gas/Electric: Yes/No	
Have you taken out further		

<p>credit since the Breathing Space Loan was provided? (if so, please list)</p>		
<p>Are you having any problems with unsecured debt?</p> <p>Token Payments set up? Debt Advice Charity used? If so, who? If with a fee charger advise of StepChange details 0800 138 1111</p>		
<p>Is your buildings and contents insurance up to date?</p> <p>If Yes – take copy for file If No – instruct client this forms part of both their mortgage and loan agreements. Buildings Insurance must be in place.</p>		
<p>HOW ARE YOU GOING TO REPAY YOUR BREATHING SPACE LOAN?</p> <p>(Client needs to be made aware that if they have no strategy for repayment in place 12 months before due date that we will require the property to be marketed for sale – this is stated in the loan Terms and Conditions)</p>		
<p>1. Sale</p> <p>Remind the client that the property should be on the market 12 months prior to the loan repayment date for a REALISTIC selling price</p>		
<p>2. Make Regular Payments</p> <p>Calculate loan amount divided by how many months before due date and calculate monthly instalment (e.g. £3,000/24 months = £125 pcm).</p> <p>Remind the client that they are not</p>		<p>Does the client's budget show this method is possible? Does the budget support the payment?</p>

<p>required to make monthly payments to the scheme but they need to save an equivalent amount somewhere to repay in full at due date. Breaking the loan down in this way gives a good illustration on how much they would need to put away. Ad hoc or monthly payments are encouraged if the client wants to do it.</p>		
<p>3. A Lump Sum Payment by due date</p> <p>Where is the money coming from? If pension lump sum of savings – provide proof funds will be available by due date.</p>		
<p>4. Remortgage/Release Equity</p> <p>(Our experience on this has been that over 50 previous loans have cited this repayment method. To date only 1 has been successful in achieving it).</p> <p>If client cites either of these methods for repayment, has the mortgage been kept up to date within the last 12 months with no payments missed?</p> <p>If LTV is more than 60% then this method is highly unlikely. Check figures. The client would need to be having this discussion with their lender 12 months before loan due date to confirm that the lender will support it. If not, then sale would need to be pursued if there is no other plan.</p>		<p>If the answer is no to either question then client needs a fall-back position with regards payment</p>
<p>UPDATE FINANCIAL STATEMENT</p>		

<p><u>Outcomes:</u></p> <p>1. <u>Budget shows surplus</u></p> <p>Ad hoc payments are encouraged to the Scheme but are not compulsory even if there is a surplus. However, any payments will reduce the balance that would be due so they should be encouraged to save money towards their loan as a minimum. Clients should be made aware that if they have a surplus budget and fail to repay at the due date, this information will be shared with the Special Cases Panel and they may not be as sympathetic as in true hardship cases.</p> <p>If they choose to make payments, calculate how much they will repay on that basis and how much they will need to find at loan due date.</p> <p>2. <u>Budget shows deficit</u></p> <p>Suggest trims in the budget if appropriate. If still deficit then client cannot afford to remain in the property and should look to market property for sale. If after cut backs budget shows can sustain priority bills but make no offer of repayment client still needs to determine a repayment strategy</p>		
<p>Letters of Authority completed</p>	<p>Yes/No</p>	
<p>Date of next review agreed</p>		

Recovery officer name:

Recovery officer signature:

Date:

Comments:

Regeneration & Economic Growth

Corporate Director: Andrew Wallhead

Economic Growth & Strategic Housing

Service Director: Sarah Pearson

Wakefield One

P O Box 700

Burton Street

Wakefield

WF1 2EB

T: 01924 305892

e-mail: jsutton@wakefield.gov.uk

F: 01924 306325

Typetalk calls welcome



Our ref:

Date:

Dear

LOAN OFFER DOCUMENT FOR A MORTGAGE BREATHING SPACE LOAN

Customer Information for:

Date produced:

This Loan Offer Document is for a Mortgage Breathing Space Loan for £xxxx and is to be secured against xxxxxxxxxxxx. The Offer Document has been issued by Wakefield Council which provides the loan on the assumption that the title to your property is good and marketable and free from any onerous matters and will form adequate security on completion.

This Breathing Space Loan Offer Document is valid for 1 month from the date of issue.

Please read this offer document and if you agree to the terms and wish to proceed you should sign and date the Acceptance Declaration on page 6 and return the whole document to the address shown.

The Loan Offer

We are pleased to offer you a Mortgage Breathing Space Loan of £xxxxxxx. This is subject to the condition that you obtain independent financial advice before returning this offer document, and that all relevant parties agree to a legal charge being registered against the property in respect of the loan.

DELETE IF NOT SUPPORT FOR SALE LOAN OFFER [This offer is also made subject to the following: You agree with Wakefield Council that you will continue to market your property at the agreed price of £xxxx, until your property is sold, so that this loan can be repaid from the proceeds of sale. Any decision to alter the price at which your property is being marketed or to remove your property from the market should be made in consultation with Wakefield Council.]

1. Do you have to accept this loan offer?

You are not bound by the terms of this Loan Offer Document until you have signed the legal charge and the funds are released for your Loan.

2. What assistance have we given you?

We have told you about the Mortgage Breathing Space Loan we have available based on your needs and circumstances. This Loan Offer Document has been produced to help you make an informed choice. We have no other loan products available and we have not given you any advice as to other loan products available on the market. You will need to make your own choice on whether or not to proceed.

3. What information have you given us about your needs.

You would like to borrow a lump sum of £XXXXXX to pay off arrears on your mortgage and/or secured loan *{and to assist with your mortgage and/or secured loan repayments}*.

Your property, on which the loan will be secured, is valued at £XXXXXX.

4. About the Breathing Space Loan

This Mortgage Breathing Space Loan is administered by Wakefield Council.

The loan can only be used by owner-occupiers to assist towards arrears and/or repayments on their existing mortgage/secured loan.

The Mortgage Breathing Space Loan is an interest free loan for a fixed term of three years.

The loan must be repaid in full at the end of the three year term or on first disposal of the property.

There are no regular repayments to make during the three year period. However you may choose to make repayments during the three year term of the loan.

You will be required to sign a legal charge on the above property to secure the money you owe to Wakefield Council under this agreement.

The loan will be paid direct to the lender of the existing mortgage or secured loan.

5. Total cost of the loan

The total amount you must pay back including the amount borrowed is £XXXXXX(= the amount borrowed).

The overall cost for comparison is 0% APR.

At the end of the 3 year term you will owe the full amount of the loan and will need to make arrangements to repay this.

6. What regular repayments will you need to make?

You do not need to make regular repayments.

7. Will the interest rate change?

There is no rate of interest associated with this loan other than punitive rates, which apply in the event of your breach of your obligations in this agreement.

If you do not repay the loan by the due date then Wakefield Council will be entitled to demand and receive payment in full together with interest at 3% above the Bank of England base rate (which is current on the due date) from the due date until repayment is made.

8. What fees will you have to pay?

No fees will be charged

9. What are the obligations and risks of taking out this loan?

If you do not repay the loan in full by the end of the loan period Wakefield Council may take court action to recover the loan and/or to take possession of the property.

You may need to re-mortgage or sell your property in order to repay the loan at the end of the three year term.

If you decide to move home, you will not be able to transfer your Mortgage Breathing Space Loan to your new home. If you sell the property you must repay the loan in full.

Where the home is jointly owned all the owners will be jointly and severally liable to pay the loan in full.

The property must be kept in good repair throughout the loan period.

The loan will not be paid if the property is repossessed or if all the applicants give up residence in the property before payment of the loan has been issued to the mortgagee (mortgage lender).

In the event that the loan does not proceed to completion, then Wakefield Council will not be liable in law or otherwise for any claims, costs or loss.

Wakefield Council shall be entitled to demand immediate repayment of the loan upon the happening of any of the following events:

- If in the event of the applicant's death the property has not been sold or loan repaid within a period of 18 months by the executors of the applicant's estate: OR
- If someone else moves into the property with the applicant, without the consent of Wakefield Council: OR
- If the applicant lets out the property to another party without the prior approval of Wakefield Council: OR
- The applicant ceases to live in the property as their principal residence or the property changes type from an owner occupied residential property: OR
- If any information provided by the applicant for the purposes of the loan proves to be incomplete or inaccurate: OR
- The applicant takes out an additional charge secured against the property, other than any mortgage or loan taken without the full knowledge and agreement of Wakefield Council at the time the property is purchased: OR
- The applicant takes out a further advance of monies from a mortgage provider who either already has a charge registered on the property or subsequently takes a charge over the property without obtaining Wakefield Council's written consent.

10. Review meetings and debt counselling

You must agree to regular review meetings to monitor your financial situation.

You must agree to receive debt counselling.

11. Building Insurance

It is a condition of the Loan that you have adequate Building Insurance for the duration of your loan. You must provide Wakefield Council with a copy of your insurance policy on an annual basis when requested to do so.

12. Independent Advice

You are required to obtain independent financial advice before entering into the Loan with Wakefield Council. Wakefield Council will pay up to £300 to the Independent Financial Adviser for this. You may wish to seek independent legal advice (but this will be at your own cost).

Taking out this Mortgage Breathing Space Loan may affect your ability to claim social security benefits. If you are worried about this and need further advice you should contact the Jobcentre Plus, the Pension Service or your local Citizens Advice Bureau

13. What happens if you no longer want this loan?

If you take out this Loan, then decide you no longer want it, you can repay the Loan in full at any time. There are no early repayment charges.

14. Special Conditions

DELETE IF NOT SUPPORT FOR SALE LOAN

- a) Your property must be actively marketed at a reasonable price until sold.
- b) If your property is removed from the market or the price altered without prior written consent from Wakefield Council you will be in breach of the loan conditions:
- c) The Council may take legal action to force the sale of your property.
- d) If you change estate agents you must provide their written consent to share and provide information.

15. Contact details

If you have any queries regarding any of the information in this Loan Offer Document, please contact:

Breathing Space, WMDC,
P O Box 700
Wakefield One
Burton Street
Wakefield
WF1 2EB

Tel: 01924 305892

You will need to repay this loan in full at the end of the three year term. Think carefully about how you will be able to do this. Your home may be repossessed if you do not repay the loan by the due date.

Yours sincerely

THINK CAREFULLY BEFORE SECURING OTHER DEBTS AGAINST YOUR HOME.

**YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP PAYMENTS ON
A MORTGAGE OR ANY OTHER DEBT SECURED ON IT.**

Acceptance Declaration

I/We have read the Loan Offer Document above for a Mortgage Breathing Space Loan and agree to the terms stated in it.

I/We have received independent financial advice from: *(state name, company and telephone number of the independent financial adviser)*.....

.....
.....

Applicant 1

Applicant 2

Print Name

Print Name

Signature

Signature

Date

Date

Please return this document to-

Breathing Space, WMDC,
P O Box 700
Wakefield One
Burton Street
Wakefield
WF1 2EB

Corporate Director: Andrew Wallhead

Strategic Housing & Economic Development

Floor 2, Wakefield One

Burton Street,

Wakefield

WF1 2EB

T 01924 305892;

F 01924 306325

E jhowley@wakefield.gov.uk

Typetalk calls welcome



Dear

Mortgage Breathing Space Loan Scheme

For the purposes of this letter, the following definitions shall apply:

“Applicant” shall mean the homeowner making the Mortgage Breathing Space Loan Application.

“Wakefield Council” shall mean The Council of the City of Wakefield

“Delegation” shall mean the formal delegation by the Local Authority to the Council of the Function

“Mortgage Breathing Space Policy” shall mean the Local Authority’s policy for providing financial or other assistance for mortgage repayments in accordance with the General Power of Competence given under S1 Localism Act 2011.

“Letter of Agreement” shall mean this Letter including the attached appendices.

“Loan Application” shall mean an application for a Loan under the Local Authority’s Mortgage Breathing Space Scheme

“Loan” shall mean a sum of money paid as a loan to a homeowner provided under and in accordance with the Local Authority’s Mortgage Breathing Space Scheme.

“Mortgage Breathing Space Scheme” shall mean the Local Authority’s loan scheme provided under its Mortgage Assistance Loan Policy in which loans are provided to homeowners in the Local Authority’s area.

“Local Authority” shall mean East Riding of Yorkshire Council

“Scheme” shall mean the Mortgage Breathing Space Scheme to be delivered by Wakefield Council and the Local Authority as set out in the Scheme Handbook.

“Scheme Handbook” shall mean the document titled the Mortgage Breathing Space Handbook for the Yorkshire and Humber Regional Breathing Space Scheme attached at Appendix 1 setting out the process and procedures for the delivery of the Scheme.

Wakefield Council has received funding from the Yorkshire and Humber Regional Housing Board for the provision of Loans by Wakefield Council and on behalf of various local authorities in the Yorkshire and Humber region. The funding includes costs associated with the Loans such as appropriate legal and valuation fees and any costs in respect of relevant training provided by Wakefield Council to officers of the local authorities. The funding is granted on the basis that the Council issue Loans to homeowners resident in Wakefield and in each of the local authorities' areas within the Yorkshire and Humber region.

In accordance with the provisions of the Localism Act 2011 and Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012, in order for Wakefield Council to issue Loans on behalf of the Local Authority, it has been necessary for the Local Authority to formally delegate to Wakefield Council the function of the payment of loans by the Local Authority under its Breathing Space Scheme (“the Function”).

Wakefield Council has now received a Delegation from the Local Authority dated 19 May 2015 which confirms the Local Authority's formal approval that the Function be delegated to Wakefield Council.

In order to facilitate the issuing of Loans by Wakefield Council on behalf of the Local Authority, the parties therefore agree that the Delegation be subject to the following terms:

1. The Local Authority hereby confirms that it has formally delegated, and has obtained all necessary approvals (statutory or otherwise) to delegate, its Function to Wakefield Council.
2. The parties agree to deliver the Scheme and each party hereby agrees to comply with the appropriate provisions contained in the Scheme Handbook setting out the duties and responsibilities of each party for the delivery of the Scheme.
3. The terms of this Agreement shall be binding on each party from the date of this Agreement until the date on which the Agreement is terminated in accordance with paragraphs [24 or 25] (“Period of Agreement”).
4. Wakefield Council and the Local Authority hereby agree that upon receipt by the Local Authority of a Loan Application, the Local Authority and Wakefield Council shall thereafter take the appropriate steps in respect of the Loan Application as set out in the Scheme Handbook.
5. The Local Authority shall ensure that any assessment made by it of a Loan Application is carried out appropriately in accordance with the procedures set out in the Scheme Handbook.
6. The Local Authority shall ensure that in respect of each Loan Application referred to Wakefield Council under the Scheme:

- a. the Loan Application shall comply with the Local Authority's Mortgage Breathing Space Scheme; and
 - b. the Local Authority shall have complied with its responsibilities as set out under the 'Local Authority Responsibilities' section of the Scheme Handbook in advance of such referral to Wakefield Council.
7. The Local Authority shall use its best endeavours to ensure that any information it provides to Wakefield Council in respect of an Applicant and/or Loan Application is true and accurate in all respects.
 8. The Local Authority shall use its best endeavours to assist Wakefield Council in delivering the Scheme during the Period of Agreement and shall, upon request, provide Wakefield Council with any documentation it may require in order for Wakefield Council to deliver its element of the Scheme or otherwise in connection with the Scheme or the terms of this Agreement. The Local Authority shall ensure that any documentation it provides to Wakefield Council in accordance with this paragraph 8 shall be true and accurate in all respects.
 9. The Local Authority shall ensure that it, and its employees or agents, do not take any decision or course of action which would prevent, restrict or affect in any manner Wakefield Council's delivery of its element of the Scheme or cause Wakefield Council to be in breach of this Agreement or any relevant legislation save where such decision or course of action is necessary in order for the Local Authority to comply with any relevant legislation.
 10. The Local Authority hereby agrees to indemnify Wakefield Council and to keep it fully and effectively indemnified against all losses, costs, claims, expenses, demands and liabilities whatsoever which it may incur, receive or suffer as a result of any act, omission, or negligence by the Local Authority or its employees, successors, assigns and contractors in connection with or in respect or in consequence of the performance of the Local Authority's obligations under this Agreement and/or delivery of the Scheme by the Local Authority.
 11. Wakefield Council will enter into the loan offer document [attached at appendix 2] with each applicant for the provision of a Loan. The Local Authority will if required act as agent for Wakefield Council to recover the amount outstanding under the loan in the event that it remains unpaid at the end of the three year loan period and no other repayment provisions have been agreed by the Mortgage Breathing Space Panel. In such circumstances Wakefield Council will provide a letter of consent on a case by case basis to enable the Local Authority to act on behalf of Wakefield Council.
 12. All loan monies recovered by the Local Authority through a debt recovery process shall be repaid to Wakefield Council within 10 working days for further use within the Breathing Space Scheme. Any loan monies recovered by the Local Authority after the scheme has ended shall be repaid to the Regional Housing Board within 10 working days. The parties agree that the Local Authority's reasonable legal and administrative costs may be deducted from the amount repaid prior to repayment to the relevant body as set out above.

13. The Local Authority hereby warrants that:

- a. Its Mortgage Breathing Space Scheme complies with S1 Localism Act 2011 and will continue to so comply for the Period of Agreement;
- b. Its Mortgage Breathing Space Scheme complies with the Scheme, provisions of Scheme Handbook and terms of this Letter of Agreement;
- c. Subject to paragraph 14, its Mortgage Breathing Space Scheme will continue to comply with the Scheme, provisions of Scheme Handbook and terms of this Letter of Agreement (including any variations to the Scheme, provisions of Scheme Handbook and/or Letter of Agreement agreed by the parties under paragraph 20) for the Period of Agreement; and
- d. it has obtained all approvals (statutory or otherwise) in respect of the Scheme, provisions of the Scheme Handbook and the terms of this Agreement;
- e. its Delegation and the format thereof complies with all requirements of any relevant legislation (including, but not limited to the Local Authorities (Arrangement for the Discharge of Functions) England Regulations 2012 and Localism Act 2011.

14. In the event that the Local Authority proposes to revise its Mortgage Breathing Space Scheme in such a manner so as to create a conflict between any revised policy of the Local Authority and the terms of the Letter of Agreement (including the provisions of the Scheme Handbook) then the Local Authority shall inform Wakefield Council as soon as reasonably practicable of that fact in writing (including the nature of such revision) and of the measures the Local Authority will take to deal with such conflict. Wakefield Council shall be under no duty to process any Loan Application referred to it by the Local Authority whilst any such conflict subsists.

15. The parties hereby agree that in the event of any conflict between the terms of this Agreement and the provisions of the Scheme Handbook then the provisions of this Agreement shall apply.

16. The parties shall not disclose to any third party any documents and information in connection with the Scheme or this Agreement without the written permission of the other party unless such disclosure is necessary for the purposes of performing their obligations under this Agreement and/or a duty to disclose to any person is required of either party under any statute (including but not limited to the Freedom of Information Act 2000), regulations or by Court Order.

17. The obligations of each party specified in paragraph 16 shall cease where it can demonstrate that any such documents and/or information is already in the public domain through no fault of its own and through no contravention or failure to comply with its obligations under this Agreement.

18. Each party shall take all reasonable steps to ensure that its employees and the employees of its consultants or contractors are aware of and comply with the obligation of confidence provided at paragraph 16.

19. Subject to paragraphs 20 and 22, no party to this Agreement may vary any of the provisions of the Agreement (including the Scheme Handbook) without the written consent of the other party in writing.
20. During the Period of Agreement, Wakefield Council may, upon giving reasonable notice in writing to the Local Authority, unilaterally vary any of the provisions of the Scheme Handbook provided that the variation is as a result of any of the following:
- a. any necessary changes in the administration or processes involved in the delivery of the Scheme (including, but not limited to, format of letters, standard forms, interview processes); or
 - b. any necessary changes to the Scheme in order to comply with changes in relevant legislation or Government policy or guidance.
21. In the event that The Council proposes to vary the Scheme Handbook in accordance with paragraph 20a then it shall give reasonable consideration to the views of the Local Authority prior to effecting such variation.
22. If, following a request by Wakefield Council, The Council is offered any Grant in respect of the Scheme in addition to that provided in this Agreement then the parties agree that this Agreement shall be varied appropriately in order for such additional Grant to be incorporated into the provisions.
23. If, during the Period of Agreement, a Loan is repaid to Wakefield Council by a homeowner then Wakefield Council may use the funds received on repayment to provide further Loans to homeowners under the Scheme provided that any such further Loans are provided by Wakefield Council during the Period of Agreement.
24. Either party may:
- a. terminate this Agreement at any time on the giving of 6 months notice in writing to the other; or
 - b. terminate this Agreement forthwith in the event of any of the following:
 - i. the other party materially breaches any of the terms of the Agreement (including any provisions of the Scheme Handbook); or
 - ii. the details of any information provided by the other party (including the details of any Loan Application referred to Wakefield Council by the Local Authority under the Scheme) are materially inaccurate or misrepresented in any respect whatsoever; or
 - iii. any conflict arising under paragraph 14 subsists following the period of 3 months from the date on which Wakefield Council is informed of it under that paragraph 14.
25. In the event that, at any time during the Period of Agreement, the Delegation is rescinded by the Local Authority or Wakefield Council decides to no longer exercise the Delegation

then this Agreement shall terminate forthwith and the provisions of paragraph 26 shall apply.

26. In the event that the Agreement is terminated in accordance with paragraphs 24 or 25 then the following shall apply:

- a. Wakefield Council and the Local Authority shall cease forthwith to provide the Scheme;
- b. the provisions at paragraph 10 of this Agreement shall apply.

27. Any dispute which may arise between the parties concerning this Agreement shall be determined as follows:

- a. The dispute shall first be referred to the Service Director (Strategic Housing and Economic Development) of Wakefield Council and the [insert here the title of the appropriate officer that will deal with it for the Local Authority] of the Local Authority who shall negotiate in good faith in an attempt to resolve the dispute within 10 days of their commencement
- b. Any dispute which is not resolved under paragraph 27a within the period of days set out there under shall be referred to the Chief Executive or his/her nominee of Wakefield Council and the Chief Executive or his/her nominee of the Local Authority who shall negotiate in good faith in an attempt to resolve the dispute within 28 days of the date on which the matter is referred to them.
- c. In the event that any dispute is not resolved in accordance with paragraph 27b then the matter shall then be determined by mediation under the auspices of the Centre for Dispute Resolution, to which both parties hereby agree to submit. Neither party shall wilfully delay or obstruct the mediation process. Only in the event of failure of the mediation process shall either party be free to apply to the courts.

28. The parties agree that paragraphs 10, 16, 17, 18 and 27 shall survive termination of this Agreement.

29. The parties agree that a person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

Please confirm your authority's acceptance of the above conditions by arranging for both copies of this letter to be signed on behalf of your authority as indicated below.

Both copies should then be returned to Janet Howley, Mortgage Breathing Space Scheme, Strategic Housing, Floor 2, Wakefield One, Burton Street, Wakefield, WF1 2EB and arrangements will then be made for both copies to be signed on behalf of Wakefield Council.

Corporate Director: Andrew Wallhead

Strategic Housing & Economic Development

Floor 2, Wakefield One,

Burton Street

Wakefield One

WF1 2EB

T 01924 305892

F 01924 306325

E jhowley@wakefield.gov.uk

Typetalk calls welcome



Dear Local Authority Colleagues

MORTGAGE BREATHING SPACE – REGIONAL MORTGAGE ASSISTANCE LOAN SCHEME

Following earlier discussions with various local authorities, a definitive package of documents was ratified. The agreement document between the Local Authority and Wakefield Council is made up of three items:

1. The Local Authority letter of agreement
2. The Handbook (referred to as appendix 1 in the letter)
3. The draft loan agreement (referred to as appendix 2 in the letter)

When approval has been given and you are ready to formally join the scheme, please can you print 2 copies of all documents and bind them in the above order; legal have advised that this ensures that the documents cannot be tampered with once they have been signed for greater protection of all parties. Prior to printing off the letter of agreement, you will need to put your local authority address details at the top of the letter and add your local authority name at the Page 2 definition of "Local Authority".

In addition, please refer to clause 27a to complete the details of the relevant officer. Both copies of the bundled documents need to be signed and returned to Wakefield. Our Service Director will then sign both and one copy will be returned to you for your records.

Following formal approval from your Cabinet/Committee, please can you send a copy of the official record of delegation – this can be sent with the bound agreement document bundles. Some suggested wording is as follows:

"At the meeting of xxxx on xxxxxx, it was resolved that under the provisions of the Localism Act 2011 and the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2012 the Executive's function of making payments of loans approved under the Policy for the Mortgage Breathing Space Scheme in accordance with S1 of the Localism Act 2011 can be discharged by Wakefield Council.

A certified copy of the minute of the meeting referred to above is attached.”

The statement should be signed and dated with the signees position within the Organisation noted.

Yours sincerely

Janet Howley

Mortgage Breathing Space Scheme Manager

Summary Sheet

Council Report

Cabinet – 11th April 2016

Title

Measures to improve leaseholder income collection

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)

David Bagnall, Right to Buy and Leasehold Co-ordinator:
David.bagnall@rotherham.gov.uk / 01709 334966

Jane Davies-Haire, Strategic Housing Manager:
Jane.davies-haire@rotherham.gov.uk / 01709 334970

Ward(s) Affected

All

Executive Summary

Over the past 18 months, a wide range of improvements have been made to the services the Council provides to its 499 leaseholders, and it is now important to focus on improving income collection. There are three key ways in which income collection can be improved:

1. Bring the administration and management fee in line with similar authorities
2. Revise the major works repayment options to improve cash flow and overall income collection rates
3. Implement interim arrears recovery measures

This report sets out how it is proposed to implement these changes.

Recommendations

That Cabinet:

1. Notes the increase to the administration and management fee and adopts the principle that the Council should move towards full cost recovery
2. Approves the proposed amendments to current major works repayment options
3. Notes that a temporary resource will be recruited to work on arrears recovery

List of Appendices Included

1. Comparison of service charges levied by other organisations
2. Comparison between the current and proposed major works repayment options
3. Comparison of major works repayment options offered by other organisations

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No

Exempt from the Press and Public

No

Measures to improve leaseholder income collection

1. Recommendations

That Cabinet:

- 1.1 Notes the increase to the administration and management fee and adopts the principle that the Council should move towards full cost recovery
- 1.2 Approves the proposed amendments to current major works repayment options
- 1.3 Notes that a temporary resource will be recruited to work on arrears recovery

2. Background

2.1 Over the past 18 months, a wide range of improvements have been made to the services the Council provides to its 499 leaseholders. These include:

- A successful outcome at the Leasehold Valuation Tribunal in December 2014, which demonstrated that the service charges are reasonable and chargeable
- Improved service charge processes, and introduction of an annual statement
- Planning and notification in advance for major works
- Introduction of charge notification letters immediately following completion of major works
- Improved communication and engagement with leaseholders including regular focus groups, newsletters, surveys and a new website
- Evidence of success through customer satisfaction levels and positive feedback

2.2 Now these key improvements have been embedded it is important to focus on improving income collection. The reasons for this are that:

- The Council does not currently pass on the full costs of service delivery to leaseholders. This means that housing rent payers are effectively subsidising leasehold service provision.
- The existing major works repayment options do not incentivise payment over a shorter period, thereby affecting Housing Revenue Account (HRA) cash flow and potentially accruing additional administrative costs.
- Leasehold service charge arrears amounted to £367,725 as at 24th February 2016 and this constitutes a direct loss to the HRA. Almost 65% of leasehold accounts are currently in arrears.

2.3 There are three key ways in which income collection can be improved; these are interlinked but explained separately throughout this report.

2.3 Administration and management fee increase

2.3.1 Leaseholders are required to contribute towards the cost of services provided by

the Council which they benefit from, for example block maintenance and repairs, buildings insurance and the cleaning of communal areas. These are known as service charges and also include administration and management costs.

- 2.3.2 Service charges should accurately reflect the true cost of services provided, but this is not the case at present as some charges are lower than the actual cost whilst other services are currently provided at no cost at all. This means that an inequality exists whereby council rent payers are effectively subsidising the costs of services provided to leaseholders. To address this, a thorough review of service charges is underway involving key stakeholders.
- 2.3.3 This review will not be completed before the 2016/17 service charge process commences and as an interim measure the administration and management fee will be increase from £25 per annum to £60 p.a. The fee has been fixed at £25 since 1989 and the revised £60 charge reflects the equivalent value had indexation been applied each year since 1989. This interim increase is part of the longer term aim to move towards full cost recovery.
- 2.3.4 It is recognised that whilst this will more than double the existing charge and some customers may consider this to be a significant increase, in reality it is a relatively small monetary value which only equates to around 67p per week.
- 2.3.5 Benchmarking shows that the administration and management fee is over 70% lower than the average charged by other authorities and the overall service charges are over 51% lower than the average. A comparison of management charges levied by other local authorities is provided under appendix 1.

2.4 Major works repayment options

- 2.4.1 Major works generally relate to any high cost schemes which are carried out to blocks of flats, such as re-roofing. Leaseholders are required to contribute towards the costs of such works and this is included within the annual service charges.
- 2.4.2 Major works charges can be significant and because of this, the Council currently offers a number of repayment options to help customers repay the costs (launched 2013). However some amendments are proposed for the following reasons:
- Current arrangements potentially de-incentivise full payment and do not encourage saving for bills in advance – this is because they provide a ‘safety net’ for those who have made no effort to prepare for major works charges, even though the lease states that full payment must be made within 30 days
 - Customers have fed back that they seem overly complex
 - Around 30% of our leasehold properties are rented out. As such, the Council could be subsidising the personal business interests of customers who do not live in the property as their home
 - As leasehold services are funded from the HRA, the management costs associated with longer term repayment options need to be taken into account to prevent council rent payers from covering the costs

- 2.4.3 It is therefore proposed to revise the existing major works repayment options in order to reach a better compromise between supporting those who may experience financial hardship, whilst minimising any detrimental effect on the HRA resulting from the delayed collection of costs which have already been incurred; the implications of which affect council rent payers as well as leaseholders.
- 2.4.4 The key changes are outlined below and a summary of the proposed amendments can be found in appendix 2. Appendix 3 also summarises how Rotherham's proposed options compare with those offered by other local authorities.
- 2.4.5 Payment in full – enhanced by introduction of a modest discount:
Offering a modest discount of 5% will incentivise leaseholders to save in advance and make full payment more attractive than paying over a longer period. The discount can be offered on the basis that the associated administrative costs are reduced as a result of payments being made promptly, whilst the full costs of the work carried out will still be passed on.
- 2.4.6 Spreading payments over the year by Direct Debit – enhanced by extending the number of instalments available to pay:
Because the Council has committed to issuing annual bills in early April each year, any leaseholder paying by Direct Debit will automatically benefit from being able to pay over 12 monthly instalments, rather than the 9 or 10 months which are currently catered for. No add on costs or interest charges will apply to the leaseholder.
- 2.4.7 12 months 'interest free' by Direct Debit – no longer required:
There is no need to continue this as a stand-alone repayment option given that 12 months will now be provided by default to leaseholders paying by Direct Debit for all service charges, including major works.
- 2.4.8 24 months 'interest free' by Direct Debit – minimum debt value now applies:
It is proposed that this option will now be subject to a minimum debt value of £1000, as given the improvements in the advance notice the Council now provides, it is reasonable to expect customers to have made some savings provision. Plans are also in place to be able to provide up to 3 years advance notice of major works and this will hopefully be embedded in the coming financial year, after which it is then proposed to introduce a minimum 10% up-front payment contribution for this payment option.
- 2.4.9 3-5 year repayment via a Credit Union – to be discontinued:
This is due to there having been nil take-up. Feedback has also been received from customers stating that the repayment option seems overly complex.
- 2.4.10 Voluntary property charge – eligibility criteria and interest will now apply:
- Means tested eligibility criteria will now apply

- An annual interest charge of 5% will also be applied to cover the costs in respect of the long term management of the debt
- As with the existing repayment option, the debt would still be secured with a legal charge against their property
- A cap will apply, meaning the total amount owed, including interest, will never exceed twice the original charge, irrespective of the time it takes for the debt to be repaid.

2.5 Arrears recovery process

- 2.5.1 Unpaid service charges constitute a direct loss to the HRA and there are cumulative service charge arrears of £367,725 outstanding as at 24th February 2016. Almost 65% of leasehold accounts currently have some level of arrears and over 40% have been in arrears continuously since 2010.
- 2.5.2 The service charge arrears policy, procedures and staff resources are currently under review, but as an interim measure the Council will employ a temporary agency resource for a period of 3 to 6 months to address the existing debts. It is expected that the debt recovered as a result of this additional resource will exceed the cost of implementation.

3. Key Issues

- 3.1 The three main drivers for implementing these changes to improve leaseholder income collection are:
- a. The Council significantly under-collects the true costs of leasehold service provision, meaning that Council tenants are subsidising services to leaseholders through the rent they pay. It is therefore important to move towards full cost recovery.
 - b. The HRA business plan will be significantly affected by Government proposals introduced via the Housing and Planning Bill, and the Council needs to ensure that all rechargeable costs are recovered and income is maximised.
 - c. Leaseholders have been informed that both the service charges and major works repayment options were under review, and in order to sustain the continuous improvement to services and reputation, the Council should follow through with the proposals, ideally before this year's annual services go out.

4. Options considered and recommended proposal

- 4.1 Await completion of service charge review before implementing any incremental increase:
- It is already the case that the true costs of service provision are not recovered, so an interim increase will help address this issue
 - An interim increase may also help leaseholders prepare for future charge increases stemming from the wider review of service charges
 - The increase will immediately reduce the effect of council rent payers subsidising leasehold service provision

- 4.2 Leave major works repayment options as they are:
- Changes are needed to incentivise shorter term repayment and thereby improve cash flow to the HRA
 - Leaving the options as is will mean more customers may enter into longer term repayment options following the April 2016 billing cycle, even where there is potentially no need to do so
 - The revised options will still support those home owners who are particularly vulnerable
- 4.3 Delay implementation of arrears recovery strategy and wait for formal restructure of income service:
- The sooner proactive recovery of the existing debts begins and long term non-payment is addressed, the greater the long term benefit to the HRA
 - Some debts may soon become unenforceable owing to the length of time they have been outstanding
- 4.4 The recommended proposal is therefore to implement all three elements before service charge demands are prepared and sent out in early April 2016.

5. Consultation

5.1 Service charge increase:

- The Council has been transparent about the need to review the service charges
- It has been explained that rent payers should not subsidise leaseholder services and also that the Council charges less than other authorities
- Customers were initially notified of the need to review service charges as part of last year's service charge billing process which took place in early June 2015
- These messages have then been reiterated through a number of avenues, including; the information provided on the Council website, associated discussions in two customer focus groups; held in September and December respectively, a subsequent newsletter issued January 2016, the information provided to prospective leaseholders as part of the Right to Buy process

5.2 Major works repayment options:

- This was similarly announced in the June 2015 newsletter
- It was also the main topic of discussion during the customer focus group held in December 2015

5.3 Arrears recovery process:

- This was again covered in the June 2015 newsletter, through which customers were encouraged to make arrangements to clear any debt owed and were also provided with a statement of account for the first time so that they knew how much was outstanding.
- The subject of service charge debts was then covered in a further newsletter which was sent to all leaseholders in January 2016.

5.4 Benchmarking:

- The Council is part of the Core Cities Home Ownership Group and the current service charges have been benchmarked against others within the group. See

appendix 1.

- The major works repayment options have been benchmarked against various organisations via online research. See appendix 3.

6. Timetable and Accountability for Implementing this Decision

6.1 Service charge increase and major works repayment options:

- Following Cabinet approval on 11th April 2016, the increase to the administration and management fee and changes to the major works repayment options would be applied in the April 2016 billing cycle.

6.2 Arrears recovery:

- Similarly, following Cabinet approval on 11th April 2016, the additional resource for arrears recovery would be recruited before the end of April 2016.

7. Financial and Procurement Implications

7.1 Service charge increase:

- Increasing the management fee from £25 per annum to £60 per annum will potentially generate an additional £17,500 of income to the HRA.

7.2 Major works repayment options:

- The impact of revising our major works repayment options is difficult to quantify
- The proposals will derive benefits from an accounting perspective as it will be possible to better distinguish between revenue and capital repayment arrangements, along with short and long term debts.

7.3 Arrears recovery:

- It is estimated that recruiting an agency resource over the proposed 3 to 6 month timescale could cost up to £20k.
- A key target of the interim arrears recovery arrangements will be to recover more debt than the proposal has cost to implement and it is anticipated that the actual collection will exceed £50k.
- The proposal will also contribute toward improved longer term HRA income collection.

8. Legal Implications

8.1 Service charge increase:

- No expected implications: The leases make provision for the true cost of service provision to be passed on to leaseholders.

8.2 Major works repayment options:

- There is no legal obligation to offer major works repayment options
- When buying a leasehold property, the purchaser's solicitor should explain the requirement to pay service charges as part of the purchase process

8.3 Arrears recovery:

- Some of the oldest service charge debts may soon become 'stature barred' under the Limitation Act 1980. Prompt action could therefore enable recovery of some of this historic debt before statutory limitations take effect.

8.4 An Equality Impact Analysis (EIA) has been completed in line with Council policy.

9. Human Resources Implications

9.1 Arrears recovery:

- Internal recruitment for debt recovery work was considered, however given the short term nature of this proposal it will be necessary to bring someone in with the necessary skill set and experience of recovering such debts.
- The resource implications in respect of recruiting a suitable agency worker and subsequent management needs will be absorbed by the Strategic Housing and Investment Service.

10. Implications for Children and Young People and Vulnerable Adults

10.1 None specific to this report.

11. Equalities and Human Rights Implications

11.1 It is not envisaged that any specific groups will be adversely affected by the proposals in this report, however the Council will ensure that any customers experiencing difficulty paying their service charge are sign-posted to free and impartial advisory services.

11.2 The revised major works repayment options will also be reviewed 6 months after implementation, taking into consideration customer feedback, and if any groups are found to have been adversely affected by the changes, this will be reported back accordingly and further amendments will be considered.

12. Implications for Partners and Other Directorates

12.1 There is potential for the arrears recovering work to generate additional workload for Legal Services as a result of the need to commence legal proceedings. Although this isn't unique to this proposal and would apply equally to any longer term arrears recovery provision.

13. Risks and Mitigation

13.1 Increase to administration and management element of service charge

Risk: Customer perception and potential for complaints

Mitigation: The intention to review and increase the service charges has been communicated to customers and benchmarking shows that the existing charges are significantly lower than average.

13.2 Major works repayment options

Risk: Customer perception and potential for complaints

Mitigation: The intention to revise the major works repayment options has been communicated to customers, who have also been invited to discuss the proposals through a customer focus group. The proposals also benchmark

favourably against those offered by other local authorities.

Risk: None of the options may suit an individual customer's circumstances

Mitigation: Major works repayment options are not obligatory and customers are entitled to make their own financing arrangements which may be on preferable terms to those offered by the Council. It is also the case that the Council now provides greater advance notice of future major works, thereby encouraging customers to make adequate savings provision.

13.3 Arrears recovery proposal

Risk: Potential for customer disputes and complaints

Mitigation: This will be an issue for any arrears recovery measures due to the sensitive nature of debt. The service will ensure a sensitive and respectful approach is applied and for consistency would also adapt the recovery principles employed by the Housing Income team.

Risk: Unenforceable debts

Mitigation: All existing leases were varied in 2013 to change the way that service charges were managed and this means that some debts which accrued prior to the variation could be unenforceable. In a worst case scenario any debts accrued up to the date of variation may need to be written off. The proportion of the current debt applicable to this period is in the region of £80,000.

14. Accountable Officers

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=>

Appendix 1 – Comparison of management fees levied by other organisations

Table A: Comparison of average local authority service charges (per property)

Organisation	Average 'regular' service charges	Annual management charges	Management as a proportion of the average service charge	Reported Staff costs
Birmingham	£319	£40	12.54%	£89
Brighton & Hove	£544	£128	23.53%	£50
Bristol	£456	£111	24.34%	£93
Leeds	£349	£107	30.66%	£83
Newcastle	£297	£97	32.66%	£77
Reading	£464	£89	19.18%	Not reported
Rotherham	£174	£25	14.37%	£95
Sheffield	£259	£74	28.57%	£140

Note 1. The above data is derived from Core Cities Home Ownership Group Benchmarking Analysis 2013/14 (2014/15 data not yet available)

Note 2. The average 'regular' service charge is defined as the total of all service charges excluding major work costs, averaged across the organisation's leasehold stock

Note 3. The annual management charges are defined as representing the landlord's own in-house staff costs and other overheads which may apply in the provision of services to leaseholders

Note 4. Reported staff costs are also included in this table owing to the fact that administration and management fees are sometimes passed on in different ways

Note 5. Up-lifting the administration & management fee to £60 will increase its relative proportion of the overall service charge from 14% to around 28%. This takes into account the fact that the average service charge would also see a comparative increase to around £209. This proportion is higher than the average of other local authorities provided in the above table, but this is because our overall service charges will still be much lower than the average.

Appendix 2 – Comparison of current major works repayment options provision against proposed

Before major works commence		
Current provision	Proposed	Reasons for change
<ul style="list-style-type: none"> Approx 6 months advance notice of works starting through S20 consultation process, sometimes less 	<ul style="list-style-type: none"> Up to 2 years advance notice, and potentially more, through schedule of planned works (published in quarterly newsletter and online) Potential to include 'ball park' costs in the schedule based on target delivery cost – there is a clear risk to adopting this approach which must be taken into account Formal S20 consultation to commence up to 12 months before work starts (wherever possible) – can only occur where the leasehold service has been given sufficient notice of the works 	<ul style="list-style-type: none"> Customers need to be given more notice of planned works so that they can better prepare and save in advance The changes will significantly extend the amount of advance notice we provide

Immediately after major works have completed		
Current provision	Proposed	Reasons for change
<ul style="list-style-type: none"> No action 	<ul style="list-style-type: none"> Quality assurance (QA) check on all completed major works involving member of leasehold service In Q1, Q2 & Q3, notice of completed works to be issued to all affected leaseholders confirming that the work has been completed and quality checked. Will also provide the costs (but these will not be due for payment until formal billing) Potential to include a breakdown of the works at this stage (so this does not need to be included in the service charge demand) 	<ul style="list-style-type: none"> Involvement with the QA check will help identify any issues with the work well before billing takes place Issuing notices of completed works will enable customers to see the final charges before payment is formally requested, again helping customers to prepare for the bill. Dialogue about repayment can also commence before formal billing. Potential to include a breakdown of the works would allow customers to see greater detail about what they will be asked to pay for and raise any queries prior to formal billing

At formal billing (service charge demand)		
Current provision	Proposed	Reasons for change
<ul style="list-style-type: none"> Generally issued 1 to 11 months after work is completed - service charge demands are due at the start of each financial year so the timescale is entirely dependent on when the costs are charged to RMBC 	<ul style="list-style-type: none"> Same 	<ul style="list-style-type: none"> No change as the timescale is dependent on when the costs are charged to RMBC

Available repayment options		
Current provision	Proposed	Reasons for change
<ul style="list-style-type: none"> • Pay in full <ul style="list-style-type: none"> ○ No incentive 	<ul style="list-style-type: none"> • Pay in full <ul style="list-style-type: none"> ○ Incentive applied by way of a 5% reduction to the applicable major works charge (including any associated management element) 	<ul style="list-style-type: none"> • Incentivising full payment would help encourage customers to save in advance. • Later increases to management fees would be automatically taken into account.
<ul style="list-style-type: none"> • Payments automatically spread through to end of financial year if on Debit Debit <ul style="list-style-type: none"> ○ Only 9/10 monthly instalments available 	<ul style="list-style-type: none"> • Payment option is maintained and enhanced. <ul style="list-style-type: none"> ○ Changes to R&M administration period means customers will have full 12 months to pay. 	<ul style="list-style-type: none"> • This can be supported at no additional cost to the customer because the DD payment facility is efficient and requires little manual intervention.
<ul style="list-style-type: none"> • 12 months 'interest free' by DD <ul style="list-style-type: none"> ○ Major works only, can't include non-major works service charges 	<ul style="list-style-type: none"> • This option will be discontinued. 	<ul style="list-style-type: none"> • The change to the R&M charge administration period means that customers paying by Direct Debit will effectively have 12 months to pay by default, and at no extra cost to them.
<ul style="list-style-type: none"> • 24 months 'interest free' by DD <ul style="list-style-type: none"> ○ No requirement for an initial contribution or minimum debt value 	<ul style="list-style-type: none"> • Payment option is maintained subject to the following criteria <ul style="list-style-type: none"> ○ Immediate lump-sum required equivalent to 10% of the applicable charge (from 2017/18) ○ Minimum debt value of £1000 	<ul style="list-style-type: none"> • Introducing an initial contribution means that customers are still incentivised to save in advance of works, even if they will be unable to pay in full. • Similarly, applying a minimum debt value ensures that saving in advance is further incentivised, particularly for lower charges.
<ul style="list-style-type: none"> • 3 - 5 year repayment via Credit Union at 10% APR <ul style="list-style-type: none"> ○ Significant administrative burden ○ RMBC only keep half the interest applied 	<ul style="list-style-type: none"> • This option will be discontinued 	<ul style="list-style-type: none"> • This option has been removed because customers find it confusing and expensive. No formal applications have been received for this option.
<ul style="list-style-type: none"> • Voluntary property charge <ul style="list-style-type: none"> ○ Two proposals have issued previously – the first based on property value when taken out and property value when debt settled so debt could increase significantly, the second based on a 10% annual flat rate APR ○ No clear cap in either case ○ Setup costs of £350 payable up front by leaseholder (£100 land registry, £150 desktop valuation, £50 legal administration) 	<ul style="list-style-type: none"> • Payment option is maintained subject to the following criteria: <ul style="list-style-type: none"> ○ Means tested ○ 5% annual interest on outstanding balance ○ Customer can pay as much as they want, as frequently as they wish – the potential for variable payments is catered for within the admin fee ○ Setup costs £25 for land registry, £50 legal admin + first year's interest at 5% which must be paid up-front ○ Cap set at twice the original debt (excludes LR & legal admin) ○ Not available if property is mortgaged 	<ul style="list-style-type: none"> • This revised payment option replaces both the 3-5 year via a Credit Union and existing voluntary property charge options. • The revised option makes it much easier for customers to work out how much it will cost to take this option, both in up-front costs and over a period of time, and the costs are also lower. • The option to base repayment on property value could lead to a significant increase, incur additional costs in relation to valuations and potential for disputes. • Also adds greater flexibility by allowing the customer to reduce the debt as and when they wish, which in turn can reduce the total amount they will repay. • A clear cap is set.

Appendix 3: Comparison between RMBC major works repayment options and other local authority packages

Payment term/option	RMBC (proposed)	Sheffield	St Leger Homes	South Kesteven Homes	East Durham Homes	Ealing Council	Camden Council
Payment in full	5% discount for payment within 14 days	No information	No information	No information	Should be paid 'on demand' but will allow up to 28 days	2.5% discount for payment within 30 days	No information
12 months interest free	Automatic for anyone on DD Can include non-major works No max/min value	On request Major works only Max value £5000	On request Can include non-major works No max/min value quoted	On request Unclear whether non-major works can be included No max/min value quoted	Unclear, see Long Term Repayments below	Written application required Unclear whether non-major works can be included No max/min value quoted	Offers 10 months Written agreement required Min monthly payment of £50 Max value £5000 Must live in the property
24 months interest free	On request No means test Min value £2000 Up-front 20% contribution Must live in the property	On request No means test Min value £5000	Not provided	Not provided	Unclear, see Long Term Repayments below	Offers "extended interest free" over 18, 24, 30 and 36 months 18 mth min value = £4201 24 mth min value = £6301 30 mth min value = £8401 36 mth min value = £10501 Arrangement fee of £290 Secured by property charge Must live in the property	Offers 24 and 36 months Written agreement required 24 mth value = £5001 to £10000 36 mth value = £10000+ Must live in the property
Long term repayments	5% annual management fee Flexibility to pay 'as and when' Must live in the property Means test applicable Secured by property charge First year management fee up-front £75 legal fees Fees must be paid up-front Can pay in full at any time	Variable interest 4.86% as at 01/04/15 Repayment period to be agreed Must live in the property Must prove eligibility* Secured by property charge £150 admin fee £200 legal fees Fees must be paid up-front Can pay in full at any time	Not provided: Information is provided in respect of a 'mandatory loan' but the leaseholder is otherwise signposted to alternative sources of finance, such as extending an existing mortgage or taking our a person loan. They explain that interest would apply in each case.	Not provided: The leaseholder is signposted to alternative sources of finance, such as extending an existing mortgage or taking our a person loan. They explain that interest would apply in each case.	Provided, but full terms unclear. States: Will "consider" extending the repayment period This is "subject to strict hardship criteria" May extend the repayment to 12, 24 or 36 months	Only where invoice value is greater than £12601 36 months are interest free Remaining 24 months are at a variable rate (assume local authority interest rate) Arrangement fee of £290 Secured by property charge Must live in the property	Variable interest Must be repaid in equal monthly instalments over an "agreed period" Secured by property charge £169 admin fee up-front £169 legal fee May make additional payments over £100 which would reduce interest Redemption fee of £185 applies to early settlement
Long term deferment	See above - this option is to be merged with long term repayments	Variable interest 4.86% as at 01/04/15 Must live in the property Must prove eligibility** Secured by property charge £150 admin fee £200 legal fees Fees must be paid up-front Can pay in full at any time	Not provided	Not provided	Offered, but details limited. States: Incurs interest at the local authority rate "which is normally higher than rates offered by high street lenders" Subject to "specific criteria so is not available to every leaseholder"	Only available to "vulnerable leaseholders" and "in exceptional circumstances"**** Variable interest applies Must live in the property Arrangement fee of £290 Option to repay the interest element only is offered	May be eligible if "you can demonstrate that you are unable to sustain loan repayments or obtain alternative finance" Up-front arrangement fee (amount not quoted) Will be charged interest (amount not quoted) Must live in the property
Other notes		Also promote extending personal loans / mortgages to cover costs and possibility of a 'mandatory loan'.			East Durham state "Please make every effort to pay on time. By then you will have had plenty of notice that a contribution would be due and how much this would be". Also promote extending personal loans / mortgages to cover costs and possibility of a 'mandatory loan'.	Also promote extending personal loans / mortgages to cover costs and possibility of a 'mandatory loan'. Also have an "equity share" option where the Council uses the debt to effectively buy a stake in the property. Only applies in "extreme hardship" and min value of £10k applies. Further states that all administrative costs would be added to the equitable purchase.	Also promote extending personal loans / mortgages to cover costs and possibility of a 'mandatory loan'.

Cabinet - 11 April 2016

Summary Sheet

Council Report

Housing Investment Programme 2016-17

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
Stuart Booth – Acting Strategic Director of Finance and Corporate Services

Report Author(s)

Paul Elliott, Business and Commercial Programme Manager

Ward(s) Affected

All

Executive Summary

The purpose of this report is to present the detailed 2016-17 Housing Capital Programme.

Approval for the high level Capital Programme was given by Cabinet on 23 February 2016 and subsequently full Council on 2 March 2016.

Recommendations

- 1. Approve the detailed Housing Investment Programme for 2016-17.*

List of Appendices Included

Appendix A – Detailed Housing Investment Programme 2016-17

Background Papers

Capital Programme Budget Setting Report - 2016/17 to 2020/21, 23 February 2016

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Housing Investment Programme 2016-17

1. Recommendations

1.1 That Cabinet approve:

1. The detailed Housing Investment Programme for 2016-17 attached at Appendix A.

2. Background

- 2.1 The budget process that led to the original Capital Programme for 2013-14 to 2016-17 ensured that the Council's capital investment plans were aligned with its strategic priorities and vision for Rotherham.
- 2.2 In order to maintain that strategic link, and make best use of the capital resources available to the Council, it is important that the programme is kept under regular review and where necessary revisions are made.
- 2.3 There has been significant national policy changes since the original Housing Investment Programme was set for 2016-17 as part of the three year Capital Programme. These include a rent reduction of 1% per year for the period 2016-17 to 2019-20 and the introduction of a High Value Property Levy. As a result of these changes, there has already been a significant reduction in forecast income to the HRA. This income will reduce further once the details from Government are received on how the high value property levy will be calculated. Based on information published to date this may result in a charge of up to £3.5m per annum to the HRA if the Council chose not to sell housing stock to fund these payments.
- 2.4 The policy changes in the Housing and Planning Bill and Welfare reform bill, will potentially also increase Right to Buy sales. Although this will generate capital receipts, over the longer term income to the HRA will reduce. This will mean there will be fewer resources to invest in council housing throughout the borough. As a result the Housing Investment Programme for 2016-17 has been reduced to reflect this. Alongside the review of capital costs the Housing Service are also embarking on a review of HRA revenue costs.
- 2.5 The table below provides an overview of the originally approved Housing Improvement Plan for the period 2016-17 and the proposed revisions.

Table 1: 2016-17 Housing Investment Programme Budget Summary

Description	Original Budget 2016-17 £	Revised Budget 2016-17 £	Variance £
Refurbishments	13,264,000	10,190,000	-3,074,000
Other Capital Projects	12,568,449	12,441,000	-127,449
Fair Access to All (Adaptations)	4,200,000	4,200,000	0
New build – Strategic Acquisitions	5,060,000	5,060,000	0
Neighbourhoods Private Sector Housing	167,000	483,348	+316,348
Total	35,259,449	32,374,348	-2,885,101

3. Key Issues

- 3.1 This report focuses on the 2016-17 Housing Investment Programme, originally approved by 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.
- 3.2 A review of the Capital Programme has been completed and has focussed on confirming priorities, contractual commitments and reviewing resource availability in light of changes to HRA income.
- 3.3 The figures relating to the programme continuation are based on estimates compiled as at February 2016. It has been calculated on the expectation that the 2015-16 out turn will be £30,698,856. 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 £32,374,348 for the period 2016-17. All schemes within this programme are outlined within Appendix A, along with details of the proposed profiled spend and resources.
- 3.4 The reduction in budget for 2016-17 of £2,885,101 is a consequence of changes to social housing policy made by government, specifically:
- i. Reduction of social housing rents by 1% per year for the period 2016-17 to 2019-20. This will result in substantially less income to the HRA over the next 4 years and beyond.
 - ii. Introduction of a High Value Property Levy. Detailed guidance on how this will be calculated has still not been issued by government. Based on information to date, this may cost up to £3.5m per annum if properties were not sold to fund this charge to the HRA. It is anticipated a determination

detailing how much the HRA will have to pay will be received from government sometime during 2016-17.

- 3.5 Approval for any further carry over of budgets will be sought in June 2016 when reconciliation of actual spend in 2015-16 is complete.

4. Options considered and recommended proposals

- 4.1 The projects that have been put forward for inclusion in the 2016-17 Capital Programme 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 to refresh existing strategies and plans, including Asset Management Plans.

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

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 have been fully reflected in the HRA’s 2016-17 Revenue Budget Report, the HRA 30 year business plan, the council’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.

- 7.4 The table below details how the 2016-17 Housing Improvement Programme will be funded:

Funding	Amount £
Grants	1,485,617

Revenue Capital Contribution Outlay	8,159,490
Capital Receipts	1,291,731
MRA	21,437,510
Total	32,374,348

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.
- 9.2 Whilst there are no immediate Human Resource implications of this decision, over the longer term if the Housing Investment Programme is reduced, there will be fewer staffing resources required to manage the programme.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 There are no implications for CYPS or Vulnerable Adults.

11. Equalities and Human Rights Implications

- 11.1 Projects within the Capital Programme, specifically Aids and Adaptations will ensure that as far as possible tenants are able to remain independent and their homes are accessible.

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.
- 12.2 By reducing the 2016-17 Housing Improvement Programme there is a risk that there will be an income pressure of Corporate Property Service as there will be fewer capital projects for the service to manage.

13. Risks and Mitigation

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

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

Graeme Betts – Acting Strategic Director Adult Care and Housing

David Richmond – Assistant Director of Housing and Neighbourhoods

Approvals obtained from:-

Strategic Director of Finance and Corporate Services:-

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

<http://modern.gov.rotherham.gov.uk/ieDocHome.aspx?Categories=>

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Refurbishment to Council Dwellings	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 £'k	13,264	10,190	10,190	The reduction in funding is due to savings being made on the Capital Programme as a result of the 1% annual rent reduction for the next 4 years and the forthcoming costs (as yet still to be quantified) following introduction of the government's high value property levy.
		Funding £'k	13,264	10,190	10,190	
Refurbishment to Council Dwellings – detailed scheme proposals which will be funded from the £10,190k detailed above						
East Dene Phase 4	This is a continuation of an existing refurbishment programme. It includes works such as re-roofing and external wall insulation to 76 properties.	Expenditure £'k	1,200	1,200	1,200	These works are procured through Mears, our Partnering contractor.
		Funding £'k	1,200	1,200	1,200	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Greasbrough	Re-roofing of 90 properties.	Expenditure £'k	500	500	500	This is a continuation of existing scheme in 2015-16.
		Funding £'k	500	500	500	
Fitzwilliam Road, Eastwood	Works to 58 properties including re-roofing and improvements to external walls, including repointing.	Expenditure £'k	0	560	560	This is a new detailed scheme proposal for 2016-17 following site surveys. As this scheme is still subject to tender the budget estimate may change.
		Funding £'k	0	560	560	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Herringthorpe Externals	Re-roofing, pointing and rendering to 121 properties.	Expenditure £'k	0	642	642	This is a new detailed scheme proposal for 2016-17 following site surveys. As this scheme is still subject to tender the budget estimate may change.
		Funding £'k	0	642	642	
Rawmarsh Externals	Works to 278 properties including roofs, ridge, verges, gutters and FSB replacements.	Expenditure £'k	0	862	862	This is a new detailed scheme proposal for 2016-17 following site surveys. As this scheme is still subject to tender the budget estimate may change.
		Funding £'k	0	862	862	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Mission Field, Brampton	Works to 8 properties, re-pointing walls, chimneys and replacement fascias, soffits and rainwater goods.	Expenditure £'k	100	100	100	These works are already procured.
		Funding £'k	100	100	100	
Campsall Field, Wath	Works to 32 properties, re-pointing walls, chimneys and replacement fascias, soffits and rainwater goods.	Expenditure £'k	125	125	125	These works are already procured.
		Funding £'k	125	125	125	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Munsbrough Externals	Works to 185 properties including re-roofing, re-pointing walls, chimneys and replacement fascias, soffits and rainwater goods.	Expenditure £'k	0	2,075	2,075	This is a new detailed scheme proposal for 2016-17 and is still subject to tender, so the price may vary from the budget estimate.
		Funding £'k	0	2,075	2,075	
Rockingham, Wingfield and Flanderwell Ave (bungalows) gutter replacements	Replacement of asbestos gutters at 140 properties.	Expenditure £'k	0	280	280	This is a new detailed scheme proposal for 2016-17 and is still subject to tender, so the price may vary from the budget estimate.
		Funding £'k	0	280	280	
North Aston	Works to 101 properties including roof ridge/verge replacement, chimneys and replacement fascias, soffits and rainwater goods.	Expenditure £'k	0	212	212	
		Funding £'k	0	212	212	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Greenwood Crescent	Works will take place to 7 blocks of flat, incorporating 28 properties. The works will comprise renewing FSB's & RWG's to blocks, renewing flat roof and FSB to ground floor front bays, renewing the support post to the cantilevered canopy over the front door and replacing all the cladding under the bay.	Expenditure £'k	0	244	244	This is a new detailed scheme proposal for 2016-17 and is still subject to tender, so the price may vary from the budget estimate.
		Funding £'k	0	244	244	
External Property works (Structural works)	This is works to Council dwellings that consists of remedial works to building structures and includes pointing, rendering, underpinning and damp proof works.	Expenditure £'k	650	600	600	Funding has been reduced to reflect previous years spend.
		Funding £'k	650	600	600	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Internal Refurbishments	A total of 978 properties are being surveyed. We will replace kitchens, bathrooms, windows & doors to those properties identified as requiring works.	Expenditure £'k	1,000	1,000	1,000	
		Funding £'k	1,000	1,000	1,000	
Communal Works (including Fire risk assessment works)	Refurbishment of communal areas for flats, including works to ensure compliance with the Regulatory Reform (Fire Safety) Order.	Expenditure £'k	750	1,450	1,450	
		Funding £'k	750	1,450	1,450	
Design/Appraisal budget for future schemes	This budget will be utilised to undertake design works or appraisals of assets that will receive works in the future capital programme.	Expenditure £'k	0	340	340	
		Funding £'k	0	340	340	

Housing & Neighbourhoods Investment

Advisory Cabinet Member			Housing (E.Wallis)			
Service Area			Housing & Neighbourhoods Investment			
Other Capital Works – Total budget £12,441k						
Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Managing Empty Properties 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 works and so properties now require new kitchens, bathrooms or central heating systems.	Expenditure £'k	2,600	3,400	3,400	Budget estimate is based on average number of major voids properties each year.
		Funding £'k	2,600	3,400	3,400	
Electrical Improvement Works	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 £'k	150	150	150	
		Funding £'k	150	150	150	

Housing Investment						
Advisory Cabinet Member				Housing (E.Wallis)		
Service Area				Housing & Neighbourhoods Investment		
Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	16/17 Revised	Total	Comments
Improving District Heating Systems	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 113 locations on District Heating schemes throughout the Borough.	Expenditure £'k	1,000	1,000	1,000	
		Funding £'k	1,000	1,000	1,000	
Replacement of Communal Doors	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 £'k	399	181	181	The reduction in budget is due to replacement curtain walling no longer being required in a block of flats.
		Funding £'k	399	181	181	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Investing in Non-Traditional Properties	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 £'k	1,100	0	0	Works to non-traditional properties were accelerated in 2015-16.
		Funding £'k	1,100	0	0	
Environmental Improvement Programme	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 £'k	1,400	700	700	The budget has been reduced given the 1% rent reduction, so other essential schemes can be delivered.
		Funding £'k	1,400	700	700	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Asbestos Management within Council Properties	To test/survey for asbestos and the removal of asbestos in Council dwellings which are due to receive capital investment.	Expenditure £'k	370	370	370	
		Funding £'k	370	370	370	
Beeverleigh Improvements	Works to 48 properties and the communal areas. Work will include replacement district heating system, installation of sprinkler system and associated Fire Risk assessment remedial works.	Expenditure £'k	1,700	1,700	1,700	
		Funding £'k	1,700	1,700	1,700	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Mobile CCTV	Contribution to the purchase of mobile CCTV cameras for the Community Safety team. Remaining funding is being provided through a grant from the Police and Crime Commissioners office.	Expenditure £'k	0	30	30	
		Funding £'k	0	30	30	
External Insulation	Installation of cavity wall and loft insulation to properties, in order to improve their energy efficiency and reduce tenant's energy bills.	Expenditure £'k	50	0	0	This scheme has now been subsumed into the Thermal Improvements budget.
		Funding £'k	50	0	0	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Thermal Improvements	This budget will fund external wall insulation and works to remedy damp in properties.	Expenditure £'k	0	250	250	
		Funding £'k	0	250	250	
Replacement to Central Heating Systems	Replacement of 1,500 central heating boiler and/ or distribution 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 £'k	3,261	2,750	2,750	This budget has been reduced to reflect the increase to the price threshold for repairs to boilers which trigger a replacement boiler being fitted. i.e. we will now carry out more repairs and fewer replacements.
		Funding £'k	3,261	2,750	2,750	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Sheltered Housing - Investing in our Communal Areas	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 £'k	1,000	775	775	The programme of conversions will now continue into 2017-18, hence the budget has been reduced to allow continuity of works into 2017-18.
		Funding £'k	1,000	775	775	
Garage Sites Investment	Programme of refurbishment of garage stock with new doors, roofs, brickwork and tarmac to the Council's garage portfolio on Council estates.	Expenditure £'k	250	250	250	
		Funding £'k	250	250	250	

Housing & Neighbourhoods Investment

Advisory Cabinet Member	Housing (E.Wallis)
Service Area	Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Disabled Persons Unit Bungalows	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 £'k	186	532	532	Revenue contribution to capital outlay (RCCO) (£532k) Homes Costs will now be incurred during 2016-17 due to delays on site, resulting in works now not completing until June 2016.
		Funding £'k	186	532	532	
Integrated Housing Management System	The ongoing implementation of the new integrated Housing Investment Management System.	Expenditure £'k	153	353	353	An additional £200k provision is required for the implementation of enhancements to the Integrated Housing Management System (IHMS). A cabinet report is pending. These enhancements will ensure the Housing departments IT systems include the latest advances in technology, providing real time interactions with our customers and suppliers, specifically in relation to Asset Management and Property Maintenance.
		Funding £'k	153	353	353	

Housing & Neighbourhoods Investment

Advisory Cabinet Member

Housing (E.Wallis)

Service Area

Housing & Neighbourhoods Investment

Strategic Acquisitions – Total budget £5,060k

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Housing Growth - Strategic Acquisitions	A programme of building and purchasing new houses to increase stock numbers. It is planned to purchase up to 50 new properties at sites throughout the borough.	Expenditure £'k	5,060	5,060	5,060	
		Funding £'k	5,060	5,060	5,060	

Housing & Neighbourhoods Investment						
Advisory Cabinet Member				Housing (E.Wallis)		
Service Area				Housing & Neighbourhoods Investment		
Fair Access for All – Total Budget £4,200k						
Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Fair Access For All – Aids and Adaptations	Aids and adaptations to Council dwellings and private sector properties to enable people to live independently for longer.	Expenditure £'k	4,200	4,200	4,200	
		Funding £'k	4,200	4,200	4,200	

Housing & Neighbourhoods Investment

Advisory Cabinet Member			Housing (E.Wallis)			
Service Area			Housing & Neighbourhoods Investment			
Private Sector Housing – Total budget £483k						
Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Funding Comments
Monksbridge Demolition, Dinnington	Property swap to enable the demolition of 3 properties, with the construction of a gable wall. To enable wider redevelopment of the site.	Expenditure £'k	67	72	72	Regional Housing Investment Board Grant (Historic) The increase in 2016-17 funding is a result of planned works in 2015-16 being delayed following a legal dispute.
		Funding £'k	67	72	72	
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 £'k	100	211	211	Capital receipts The increase in funding is due to the acquisition of 3 properties being delayed. This will now take place in 2016-17.
		Funding £'k	100	211	211	

Housing & Neighbourhoods Investment

Advisory Cabinet Member	Housing (E.Wallis)
Service Area	Housing & Neighbourhoods Investment

Scheme	Brief Description including proposed outcomes and outputs	Approved Budget	16/17	Revised 16/17	Total	Comments
Bellows Road	This is an ongoing Housing Market Renewal scheme and includes the construction of new shop units and provision of new housing within the area.	Expenditure £'k	0	200	200	There has been a need to carry forward funds of £200k due to continuing delays in removal and relocation of mobile telephone transmission equipment
		Funding £'k	0	200	200	

Council Report

Cabinet 11th April 2016

Title

Governance Review

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

Yes

Director Approving Submission of the Report

Assistant Director Legal Services

Ward(s) Affected

All

Executive Summary

To report the recommendations of the Governance Review Working Group (“the Report”) for the consideration of Cabinet with a view to recommendations being made to Council as to amendments to the Constitution.

Recommendations:

- That Cabinet note the recommendations of the Members Governance Review Working Group.
- That Cabinet recommend to Council the amendments to the Constitution set out in Appendix 1 to this report.

List of Appendices Included

Appendix 1 - Proposed amendments to the Constitution

Appendix 2 – Commentary on proposed amendments to the Constitution

Background Papers

- Final Report of Rotherham Council’s Governance Working Member’s Group [February 2016]
- Local Government Association/Centre for Public Scrutiny – “Rethinking Governance” [February 2014]

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Governance Review Member's Working Group

Council Approval Required

Yes

Exempt from the Press and Public

No

Title (Main Report)

Governance Review

1. Recommendations

- That Cabinet note the recommendations of the Members Governance Review Working Group.
- That Cabinet recommend to Council the amendments to the Constitution set out in Appendix 1 to this report.

2. Background

.1 Following the publication of the Casey Report, the then Secretary of State, Rt. Hon. Eric Pickles MP, directed the Council to consider its governance arrangements. The review group was established by a resolution of Council made on 3 June 2015, on the recommendation of the Commissioners in order to seek Member involvement in the determination of a future governance structure. The terms of reference of the Group were to:

- Consider the case for change, including the strengths and weaknesses of the current decision-making arrangement;
- Consider the main governance options;
- Conduct an analysis of the strengths and weaknesses of such models;
- Investigate how the models have been implemented elsewhere in the UK and to consider independent evidence regarding their success;
- Formulate recommendations on the way forward for the Council;
- Consider the purpose, role and duties of members, to include decision-making, scrutiny, community leadership and representation;
- Review the Scheme of Delegation to ensure that it is streamlined and with the appropriate levels of delegation to officers and properly supports the new governance arrangements,
- Consider the appropriate number of elected members that will be required under the new governance arrangements with a view to inviting the Local Government Boundary Commission for England to conduct an electoral review.

.2 The Group was independently chaired by Professor Tony Crook CBE of the University of Sheffield and the members of the Group were the Leader of the Council, the Deputy Leader of the Council, the Portfolio Holder for Corporate Services and Finance, the Portfolio Holder for Neighbourhood Working and Cultural Services, The Chair of Overview and Scrutiny Management Board, the Chair of Standards Committee, the Deputy Chair of Audit Committee, the Leader of the UKIP Group, a member of the UKIP Group and the Leader of Rotherham Independent Group. The Group met on seven occasions between July 2015 and January 2016. The Group visited four local authorities and

examined their governance arrangements through discussions with members and senior officers.

3. Key Issues

3.1 The Group were not able to agree on all their recommendations but their recommendations reflect the views of the majority of the Group. The main recommendation was that the Council should continue to operate Executive Arrangements via the Leader and Cabinet model. The decision making systems available to local authorities are:

- **Leader and Cabinet.** This is the governance system that most councils operate. In some councils, individual members of the cabinet have decision-making powers; in others, decisions have to be made by the whole cabinet. Cabinet is led by a Leader, who is elected by full council for a term determined by the council itself or on a four yearly basis (and who will usually be the leader of the largest party on the council). Councils operating this model must have at least one overview and scrutiny committee. A summary of the key features of the Leader and Cabinet model is set out in Appendix 1
- **Mayoral System,** with a directly-elected executive mayor with wide decision-making powers. The Mayor appoints a cabinet made up of other councillors, who may also have decision making powers. Councils operating this model must also have at least one overview and scrutiny committee.
- **Committee System.** The Localism Act 2011 reintroduced this option for all councils. Previously it was available only to district councils with populations under 85,000. Committee system councils make most decisions in committees, which are made up of a mix of councillors from all political parties. These councils may have one or more overview and scrutiny committees but are not required to.
- Councils also have the option of suggesting an approach of their own to the Secretary of State. No detailed criteria have been set out for how the Secretary of State will come to a decision about whether or not to approve any option suggested under this part of the Act.

There are also variations for each of these models that can lead councils to adopt hybrid approaches; most commonly this is a hybrid between Leader and Cabinet and the Committee System which are seen as a modified version of the Leader and Cabinet system, and therefore not requiring a formal change under the legislation.

3.2 The Group considered that the elected mayor model had the potential to concentrate too much power in the hands of one person with a potential perception that it would be less transparent and democratic than other models. While a small number of members of the Group favoured a committee system the view of the Group as a whole was that concerns

about public and member confidence in the current model could be better addressed by strengthening the existing model.

3.3 The Group as a whole favoured the Leader and Cabinet model subject to sufficient checks and balances to ensure transparency and accountability. The specific recommendations were that:

- Executive decisions should be taken collectively by the Cabinet rather than by the Leader or Portfolio Holders acting alone.
- The Leader be elected for a term to be agreed by Council;
- The Leader appoint her/his Cabinet;
- Legal requirements as to the publication of a Forward Plan of Key Decisions be met and that the Forward Plan be circulated to all members on a regular basis.
- The Leader consults with both the Chair of the Overview and Scrutiny Management Board and the leader of the main opposition party prior to a decision being designated as 'urgent' and therefore exempt from call-in.
- The number of members currently required to request that a decision be called in for scrutiny be reduced from one member supported by at least five other members to one member supported by at least three other members;

3.4 The Group also made a recommendations as to the role of Council. The specific recommendation was:

- That Council's sovereignty in relation to the consideration and setting of the Policy Framework, Medium Term Financial Strategy, budget and council tax setting, should be reaffirmed

3.5 The Group also made further recommendations as to the Scrutiny function. The specific recommendations were:

- That the forward plan of key decisions is considered by OSMB on a regular basis with an opportunity to examine proposals in advance of decisions being made;
- That Cabinet papers are considered at a meeting of OSMB scheduled in the week preceding the Cabinet meeting to ensure that 'pre-scrutiny' of proposed decisions is facilitated;
- That the current number of commissions are retained, subject a review of the number after a year; however their terms of reference should be reviewed to ensure that there is closer alignment with Cabinet portfolios;
- That the vice chair of the OSMB be a member of the main opposition party;
- That the chairs and vice chairs of the other commissions be filled by parties according to the proportional representation of their party group on the Council;
- That the work of the commissions to focus on policy development as well as scrutiny of implemented policies;

3.6 The Group also made further recommendations as to area working. The specific recommendations were:

- Area Assemblies to be retained as committees of the Council comprising all councillors from the wards making up each assembly;
- Each Area Board to be chaired by a member of the party with the most seats in the given area;
- The terms of reference for the Area Boards to be established as part of the review of the Constitution including a wider review of the Council's Neighbourhood-Based working, but each would have a budget for 2016-17 (budgets for later years to be subject to the review) to be spent on 'area caretaking' and 'social inclusion' projects and consistent with the councils' overall policy framework; they would operate as the identity of the Council at a local level and provide an annual report of the work carried out.

3.7 Any implementation of the proposals for Area Boards would have to await the publication of the Review of Neighbourhood-Based Working.

3.8 The Group also made further recommendations as to information sharing, member development and services, the number of councillors, the scheme of delegation to officers, accountability and the future review of any new arrangements. The specific recommendations were:

- That Cabinet agenda papers be circulated to all members at date of publication;
- That Exempt papers be provided to the Opposition group leaders and Scrutiny chairs at date of publication. Any member found to breach the confidentiality of any council papers would be the subject of party discipline and possible investigation as a breach of the Code of Conduct;
- That all new members undertake a thorough induction programme, and that every member has an annual appraisal conducted by her/his party leader (or nominee) with an agreed personal development programme as one of the outcomes. That all members provide an annual report to the electors in their ward;
- That members are provided with an annually updated A-Z directory of the services provided by the various departments and a comprehensive Members' handbook;
- That consideration of the number of Councillors be deferred pending the Boundary Commission's review starting in summer 2016;
- That a review of scheme of delegation be considered regarding the level of delegation to Officers; it is recommended that this should be an ongoing and appropriate task for a Constitution review working group to undertake and that in the first instance it should consider and report on whether the upper limit for spending decisions by officers should be lowered to £250,000;
- That the council adopts an online system of recording decisions in an open and transparent way, including investigating how this could be extended to senior officer decisions;
- That there should be a review of the new arrangements and their operation after one year. It would be appropriate for this to take the form of a peer/external review and also for there to be an ongoing annual self-

assessment by the Council, which could be undertaken by a standing council group as the successor to the Governance Review Working Group.

- 3.9 The Assistant Chief Executive is reviewing the arrangements for the induction of new elected members after the May elections to ensure that an effective induction process which new members will find helpful is in place for May.
- 3.10 The recommended annual appraisal process for members would primarily be a matter for the political groups.
- 3.11 The recommendation for a Constitution Review Working Group to be established could allow for its terms of reference to include the recommended review of the scheme of delegation to officers, the recommended annual review of the new arrangements and a review of the current arrangements for publishing Council decisions on-line.

4. Options considered and recommended proposal

- 4.1 It is a matter for the Cabinet as to whether they wish to recommend to Council that it adopts some, all or none of the recommendations of the Governance Working Member's Group.
- 4.2 The recommended proposal is that Cabinet recommend to Council the amendments to the Constitution set out in Appendix 1 to this report.

5. Consultation

- 5.1 Extensive consultation was undertaken throughout the Review process as set out in the Report.

6. Timetable and Accountability for Implementing this Decision

- 6.1 As the recommendations, if agreed, will involve amendments to the Council's Constitution, the Report will need to be further considered by full Council.
- 6.2 The Assistant Director of Legal Services will be responsible for implementing any decisions made by full Council.

7. Financial and Procurement Implications

- 7.1 None directly from this report

8. Legal Implications

- 8.1 The legislative options for decision making systems for local authorities are set out in the Report.
- 8.2 Further relevant legal implications are set out in respect of each proposed constitutional amendment at Appendix 2.

9. Human Resources Implications

9.1 There may be resource implications in respect of the proposals for an enhanced role for Scrutiny.

10. Implications for Children and Young People

10.1 The recommendations within the Report will provide for transparent, effective and accountable decision-making in respect of matters involving Children and Young People.

11 Equalities and Human Rights Implications

11.1 None directly from this report

12. Implications for Partners and Other Directorates

12.1 Appropriate Governance arrangements for the Council are essential to ensure Partners have confidence that the Council's decision-making is transparent, effective and accountable.

13. Risks and Mitigation

13.1 There is a risk that if the Council does not operate with appropriate Governance mechanisms, public trust in the Council will not be fully restored.

14. Accountable Officer(s)

Assistant Director Legal Services

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

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

APPENDIX 1

Proposed recommendations to Council.

It is proposed that Cabinet recommend to Council that:

1 *"The Democratic Services Manager be instructed to consider on an annual basis whether any of the policies in the policy framework set out in Article 3 of the Constitution are due for review or renewal and to liaise with the Council's officers to ensure that any such policies are brought to Council for consideration."*

2 Article 7(3) of the Constitution shall be amended so as to read:

"(3) The Leader will be a councillor elected to the position of Leader by the Council at its annual meeting for a term of four years, or until the day of the first annual meeting of the Council held after the expiry of their term of office as a councillor, if the latter is a shorter period. He or she will hold office until –

- he or she resigns from the office; or*
- he or she is no longer a councillor; or*
- he or she is removed from office by resolution of the Council, whereupon his or her term of office as leader shall end on the day of that Council meeting. "*

3 "Executive Procedure Rule 7(2) be amended so as to read:

(1) The Assistant Director of Legal Services will arrange for the monthly publication of the plan of key decisions covering the forthcoming 2 months and shall circulate a copy of the plan to all councillors".

4 Overview and Scrutiny Procedure Rule 14(4) be amended so as to read:

"4) The Chair of Overview and Scrutiny Board must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. The leader of the main opposition group shall be consulted on any decision to designate a Cabinet decision as urgent."

5 A new Article 8(2A) shall be inserted into the Overview and Scrutiny Procedure Rules which shall read:

“(2A) The Overview and Scrutiny Management Board shall consider the plan of key decisions referred to in Rule 7 of the Executive Procedure Rules on a regular basis and shall identify decisions to be scrutinised and shall also meet prior to each meeting of the Cabinet to consider what recommendations to make to the Cabinet in respect of matters on the agenda for the Cabinet meeting.

6 That a Constitution Working Group with the same elected member representation as the Governance Working Member’s Group be established with responsibility for:

- Reviewing the scheme of delegation to officers
- Carrying out an annual review of the operation of the Constitution
- Reviewing the arrangements for recording Council decision making on-line
- Reporting back to Cabinet on these issues with a view to Cabinet making recommendations to Council

”

7 Paragraph (2) of Schedule 1 to the Overview and Scrutiny Procedure Rules be amended so as to read:

“(2) The membership of the OSMB shall comprise –

- *a chairperson who shall be a councillor appointed by the Council;*
Revised February 2016
- *a vice-chairperson who shall be appointed by the Council and who shall be a member of the main opposition group*
- *the chairs and vice-chairs of the overview and scrutiny select commission who shall be councillors appointed by the Council so as to reflect the political balance of the Council*
- *sufficient opposition councillors nominated by Opposition Parties or councillors and appointed by the Council, to ensure political balance”*

8 Rule 13(6) of the Overview and Scrutiny Procedure Rules be amended so as to read:

“(6) During the notification period –

- *in the case of a decision that does not relate to an education function, a member of the Council who is supported by at least three other members may request the chairman of the OSMB to call-in the decision for scrutiny by that board; and*

• *in the case of a decision that relates to an education function, a member or education representative who is supported by three members or three education representatives (or a combination of both members and education representatives) may request the chairman of the OSMB to call-in the decision.*”

9 Rule 5.5.1 of the Access to Information Rules be amended so as to read:

“5.5. The right mentioned in rule 5.4 does not extend to a document or part of a document that in the opinion of the Assistant Director Legal Services –

5.5.1. contains confidential or exempt information (please see the Appendix), except where the exempt material is included within reports to Cabinet which are to be provided to the Chair of Overview and Scrutiny Management Board, the Chairs of Select Commissions and the leaders of the two largest opposition groups, or”

10 A new Rule 5.6 shall be inserted into the Access to Information Rules which shall read:

“5.6 The Democratic Services Manager will ensure that a copy of the agenda and the reports for each meeting of Cabinet that will be debated in the open part of the Cabinet meeting will be provided to all members who are not members of Cabinet and who are not referred to in Rule 5.5.1 above as soon as is practical after those documents are published.”

APPENDIX 2

Proposed recommendations to Council with Commentary

It is proposed that Cabinet recommend to Council that:

- 1 *"The Democratic Services Manager be instructed to consider on an annual basis whether any of the policies in the policy framework set out in Article 3 of the Constitution are due for review or renewal and to liaise with the Council's officers to ensure that any such policies are brought to Council for consideration."*

Comment **This relates to the Group's recommendation about the sovereignty of Council and creates a new mechanism to ensure the policy framework is kept up to date.**

- 2 Article 7(3) of the Constitution shall be amended so as to read:

"(3) The Leader will be a councillor elected to the position of Leader by the Council at its annual meeting for a term of four years, or until the day of the first annual meeting of the Council held after the expiry of their term of office as a councillor, if the latter is a shorter period. He or she will hold office until –

- he or she resigns from the office; or*
- he or she is no longer a councillor; or*
- he or she is removed from office by resolution of the Council, whereupon his or her term of office as leader shall end on the day of that Council meeting. "*

Comment **This relates to the Group's recommendation about the Leader's term of office and the Leader's appointment of portfolio holders. The recommendation is that the Leader have a four year term of office so as to match the four year terms of office of members and the new arrangements for all out local elections every four years. Cabinet can recommend a shorter term of office to Council if it wishes to do so.**

Further Comment

The recommendations of the Group included authority being delegated to the Leader to appoint his/her Cabinet and that Executive decisions should be taken collectively by Cabinet rather than by individual portfolio holders or the Leader. These

issues are dealt with in the Local Government Act 2000 (as amended) which gives the power over how executive functions are exercised and who is to be appointed to the Cabinet to the Leader personally. The Council is not able to direct the Leader on those matters but the Cabinet has the option, should it wish to do so, of confirming that the Leader has decided that decision making should be collective.

Article 7 of the Constitution and the Executive Procedure Rules reflect the provisions of the Act. In order to ensure certainty about how those powers have been exercised by the Leader, Article 5(5) of the Constitution requires an up to date record of who has responsibility for decision making to be kept in the form of the Scheme of Delegation for Members and Officers

3 “Executive Procedure Rule 7(2) be amended so as to read:

(1) The Assistant Director of Legal Services will arrange for the monthly publication of the plan of key decisions covering the forthcoming 2 months and shall circulate a copy of the plan to all councillors”.

Comment This implements the Group’s recommendation that the Forward Plan be circulated to all members.

4 Overview and Scrutiny Procedure Rule 14(4) be amended so as to read:

“4) The Chair of Overview and Scrutiny Board must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. The leader of the main opposition group shall be consulted on any decision to designate a Cabinet decision as urgent.”

Comment This implements the Group’s recommendation that the leader of the main opposition group be consulted about use of the urgency procedure which prevents decisions from being called-in.

5 A new Article 8(2A) shall be inserted into the Overview and Scrutiny Procedure Rules which shall read:

“(2A) The Overview and Scrutiny Management Board shall consider the plan of key decisions referred to in Rule 7 of the Executive Procedure Rules on a regular basis and shall identify decisions to be scrutinised and shall also meet prior to each meeting of the Cabinet to consider what recommendations to make to the Cabinet in respect of matters on the agenda for the Cabinet meeting.

Comment **This implements the Group’s recommendations about the OSMB considering the Forward Plan on a regular basis and for the OSMB to meet before each Cabinet meeting to ensure pre-scrutiny of Cabinet decisions. The recommendation was that OSMB meet in the week before the Cabinet meeting, this wording creates more flexibility and the potential for Cabinet to have greater notice of recommendations from OSMB.**

6 That a Constitution Working Group with the same elected member representation as the Governance Working Member’s Group be established with responsibility for:

- Reviewing the scheme of delegation to officers
- Carrying out an annual review of the operation of the Constitution
- Reviewing the arrangements for recording Council decision making on-line
- Reporting back to Cabinet on these issues with a view to Cabinet making recommendations to Council

”

Comment **This relates to the Group’s recommendation about the creation of a further Working Group.**

7 Paragraph (2) of Schedule 1 to the Overview and Scrutiny Procedure Rules be amended so as to read:

“(2) The membership of the OSMB shall comprise –

- *a chairperson who shall be a councillor appointed by the Council;*
- *a vice-chairperson who shall be appointed by the Council and who shall be a member of the main opposition group*
- *the chairs and vice-chairs of the overview and scrutiny select commissions who shall be councillors appointed by the Council so as to reflect the political balance of the Council*

- *sufficient opposition councillors nominated by Opposition Parties or councillors and appointed by the Council, to ensure political balance*

Comment **This implements the Group’s recommendation about the Vice Chair of OSMB being a member of the main opposition group and the chairs and vice chairs of select commissions being politically balanced.**

8 Rule 13(6) of the Overview and Scrutiny Procedure Rules be amended so as to read:

“6) During the notification period –

- *in the case of a decision that does not relate to an education function, a member of the Council who is supported by at least three other members may request the chairman of the OSMB to call-in the decision for scrutiny by that board; and*
- *in the case of a decision that relates to an education function, a member or education representative who is supported by three members or three education representatives (or a combination of both members and education representatives) may request the chairman of the OSMB to call-in the decision.”*

Comment **This implements the Group’s recommendation about reducing the number of members required in order for a decision to be called in.**

9 Rule 5.5.1 of the Access to Information Rules be amended so as to read:

“5.5. The right mentioned in rule 5.4 does not extend to a document or part of a document that in the opinion of the Assistant Director Legal Services –

5.5.1. contains confidential or exempt information (please see the Appendix), except where the exempt material is included within reports to Cabinet which are to be provided to the Chair of Overview and Scrutiny Management Board, the Chairs of Select Commissions and the leaders of the two largest opposition groups, or”

Comment **This implements the Group’s recommendation about the circulation of exempt information on Cabinet agendas to certain members who are not members of Cabinet.**

10 A new Rule 5.6 shall be inserted into the Access to Information Rules which shall read:

“5.6 The Democratic Services Manager will ensure that a copy of the agenda and the reports for each meeting of Cabinet that will be debated in the open part of the Cabinet meeting will be provided to all members who are not members of Cabinet and who are not referred to in Rule 5.5.1 above as soon as is practical after those documents are published.”

Comment **This implements the Group’s recommendation about the circulation of the open papers for Cabinet meetings to all members.**

Summary Sheet**Council Report**

Cabinet Meeting – 11th April 2016

Title

Estimated Revenue Outturn Report 2015/16

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

Yes

Strategic Director Approving Submission of the Report

Stuart Booth – Interim Strategic Director of Finance and Customer Services

Report Author(s)

Pete Hudson – Chief Finance Manager, Finance & Customer Services
Email: peter.hudson@rotherham.gov.uk

Ward(s) Affected

All

Executive Summary

The Estimated Revenue Outturn report for 2015/16 shows an initial forecast outturn of £6.296m (+3.1%) above budget. The forecast outturn position has improved by £2.519m since the December monitoring report largely due to additional income and reduced contract costs within Adult Care services (c£1m), a forecast under-recovery on the voluntary severance budget (£900k) which can now be recognised based on the actual cost of releasing staff in year and the recognition of the reduced cost of levies than that budgeted (£310k).

As advised in previous budget monitoring reports there is £5.326m one-off funding available to help mitigate the current forecast overspend. Using this £5.326m one-off funding significantly reduces the initial forecast overspend to £970k. In the event that by the end of March a residual pressure remains, this will be funded using the savings available through taking the Minimum Revenue Provision (MRP) holiday (the detail of which was included in the 2016/17 Budget Setting Report) with the remaining savings from this 'holiday' being transferred to specific earmarked

reserves. This is set out in section 3.34 to 3.40 of this report. **The Council is therefore able to forecast a balanced outturn position for 2015/16.**

Key pressures contributing to the initial forecast overspend (+£6.296m) were:

- The continuing service demand and agency staffing cost pressures for safeguarding vulnerable children across the Borough and the strengthening of Social Work and management capacity; and
- Demand pressures for Direct Payments within Older People and Physical and Sensory Disability clients and clients with Mental Health needs.

All Directorates will continue to closely manage spend until the end of March 2016.

The aim is to provide Cabinet with the final 2015/16 Revenue Outturn report by the end of June 2016 aligned to the Council publishing its draft Statutory Accounts for the year ended 31st March 2016.

Recommendations

That Cabinet:

- **Notes the forecast balanced outturn position for 2015/16 and that continued close management of spend will continue for the remainder of the financial year.**
- **Notes the intention for the final Revenue Outturn to be reported to Cabinet in June 2016.**
- **Agrees the proposed transfers to earmarked reserves as set out in sections 3.34 to 3.40 of this report.**

List of Appendices Included

Appendix 1 – Detailed analysis of forecast under and overspends

Background Papers

Revenue Budget and Council Tax Setting Report for 2015/16 to Council 4th March 2015

December 2015 Revenue Budget Monitoring Report to Cabinet – 15th February 2016
Consultation with Strategic Directors

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Overview & Scrutiny Management Board (22nd April 2016)

Council Approval Required

No

Exempt from the Press and Public

No

1. Recommendations

That Cabinet:

- 1.1 Notes the balanced forecast outturn position for 2015/16 and that continued close management of spend will continue for the remainder of the financial year.**
- 1.2 Notes the intention for the final 2015/16 Revenue Outturn to be reported to Cabinet in June 2016.**
- 1.3 Agrees the transfers to earmarked reserves as set out in sections 3.34 to 3.40 of this report.**

2. Background

- 2.1 As part of its performance and control framework the Council is required to produce regular reports for the Strategic Leadership Team and Cabinet to keep them informed of financial performance on a timely basis such that where necessary, actions can be agreed and implemented to bring spend in line with the approved budget for the financial year. This is the penultimate financial monitoring report for 2015/16. The final Revenue Outturn report is expected to be presented to Cabinet in June 2016.
- 2.2 Delivery of the Council's Revenue Budget and Medium Term Financial Strategy within the parameters agreed at the start of the current financial year is essential if the objectives of the Council's Policy Agenda are to be achieved. Financial performance is a key element within the assessment of the Council's overall performance framework.
- 2.3 The last (December) revenue budget monitoring report was presented to Cabinet on 15th February 2016.

3. Key Issues

- 3.1 Table 1 below shows the summary forecast revenue outturn position by Directorate. More detailed analysis of the Directorate's forecast under and overspends is included in Appendix 1.
- 3.2 The forecast overspend has reduced by £2.519m since the December report. The current forecast outturn (before use of £5.326m funding identified in-year to help mitigate the significant in-year pressures) is £6.296m or +3.1% of the Council's General Fund Budget.

Table 1: Forecast Revenue Outturn 2015/16

Directorate / Service	Annual Budget 2015/16	Forecast Outturn 2015/16	Forecast Variance (over (+) / under (-) spend)		Variance change since Dec 2015
	£'000	£'000	£'000	%	£'000
Children & Young People's Services	52,835	60,516	+7,681	+14.5	+3
Adult Services, Housing & Public Health	69,541	69,122	-419	-0.6	-1,067
Environment & Development Services	46,530	45,966	-564	-1.2	0
Finance & Corporate Services	18,054	18,237	+183	+1.0	-82
Capital Financing, Levies and Central Services	16,594	16,009	-585	-0.7	-1,373
TOTAL	203,554	209,850	+6,296	+3.1	-2,519
Housing Revenue Account (HRA)	84,880	79,045	-5,835	-6.9	-3,238

The following sections (paragraphs 3.3 to 3.32) provide key reasons for the forecast level of annual under or overspend within Directorates. More detailed information is included in Appendix 1.

Children & Young People's Directorate (+£7.681m forecast overspend)

- 3.3 The recurrent pressure (£4.6m) Children's Services has had on its placement budgets (out of authority residential and independent fostering placements) has been addressed both in year (2015/16) through additional budget allocation from the Council's Transformation Reserve (as a short – term financial mechanism) identified in the 2015/16 budget setting process. The appropriate budget to cover the pressure on placements has now been added into the Medium Term Financial Strategy on a recurrent basis. However, CYPS supported by Commissioners has been spending one-off funding on transformational activity designed to improve the standards of service post Jay and Casey, and this funding is being covered from a range of sources, some from the Transformation Reserve, or from bidding mechanisms, or specific government funding. In some cases, recurrent funding has been added into the budget by agreement with Commissioners and Members (see below related to social worker numbers and terms and conditions).
- 3.4 The Council has had difficulty in attracting and retaining Social Work staff as its contractual terms and conditions of employment for this staff group were previously less favourable than neighbouring and regional authorities. Children's Services have received a supplementary allocation of £1.9m for

additional Social Worker posts and an additional £1.1m to fund enhanced leadership capacity in 2015/16 to enable the service to respond positively in making the service delivery improvements required in the Children's Improvement Plan. This additional £3m has been built into the 2016/17 budgets and the Council's Medium Term Financial Strategy.

- 3.5 The service is facing a range of pressures (£7.681m as shown in the table above) largely due to the need to engage agency and interim staff for a limited period to provide much needed capacity to both meet current service demands and improve service delivery performance on a day to day basis. These costs are expected to gradually taper off as new social work staff are appointed and allocated appropriate caseloads linked to the current recruitment campaign to recruit 29 permanent social worker posts. The current projected overspend also includes spending £694k above budget on out of authority residential placements (an additional 4 placements) and an overspend of £447k on Independent Fostering Placements (a potential 9 pending placements) additional to the £4.583m that has been allocated from one off earmarked funding this year. As a direct consequence of improving the service response to protecting vulnerable young people, more adolescents are presenting with social care needs which are not able to currently be accommodated within the borough. Until the impact of the new Sufficiency strategy is realised, demands on this particular budget are likely to increase in the short term. The budget is being closely monitored to ensure that 'local' (closer to home) placement options continue to be fully appraised; that those young people who may be able to return home are facilitated in doing so safely and that Partners' contributions are secured for young people with very complex care packages.
- 3.6 To address the disparities in terms and conditions with neighbouring authorities, the Council has recently improved its contractual terms and conditions of employment. An additional £1.353million has been added into recurrent budgets to reflect these changes in terms and conditions in 2016/17. £600k additional budget has already been allocated in 2015/16 to address the part-year effect of this change.
- 3.7 A five year strategy of transformation in children's services is being mapped which includes opportunities to streamline costs once robust performance has been secured and that is financial sustainable.
- 3.8 Any opportunities for the Directorate to review operations and deliver efficiencies both this year and into the medium term, are being driven forward. The Directorate continues to review its temporary agency and interim staff contracts to identify where there may be opportunities to safely bring forward any planned end dates to help mitigate the forecast overspend. The service have also put in place a Resources Panel to consider and review new placements and high cost residential placements to determine whether or not young people can be safely returned to better (and less costly) placements closer to home.

Adult Services (+£51k forecast overspend) and Housing (-£470k forecast underspend)

- 3.9 The Adult Services forecast outturn for 2015/16 is an overall overspend of +£51k; a reduction of £987k on the position reported for December. This is due to savings from supported living contracts for residential and respite care for clients with learning disabilities (-£414k), additional income from Continuing Health Care and full cost clients (-£300k), higher than anticipated staff turnover (-£104k) and impact of Council wide moratorium on non-essential spend.
- 3.10 The main budget pressure within the Directorate continues to be the increased demand for Direct Payments (£1.7m) - an additional 252 clients in 2015/16 to date, a 26% increase. A task group established to review Direct Payments is in place – including analysis of high cost care packages to ensure they are appropriately aligned to client need and to review the processes and procedures associated with assessment for the provision of Direct Payments to ensure they are fit for purpose. Since last month's report there has been a slight decrease in the forecast overspend due to a reduction in the cost of care packages after review, and a decrease in the number of clients receiving a direct payment.
- 3.11 There are also pressures on the residential and nursing care budgets across all client groups as a result of an increase in placements (forecast overspend of £1m across all client groups) and lower than forecast 'Continuing Health Care' income contributions. Management actions to mitigate these increasing budget pressures are being put in place.
- 3.12 The forecast overspend is being partially reduced by projected underspends within the Assessment and Care Management (-£995k) budget due to receipt of one-off grant funding and high staff turnover, and within Enabling Care services (-£123k) due to vacancies and efficiencies on transport costs. Future models of delivery of enabling care are being developed for discussion and consultation.
- 3.13 The service is also reviewing Out of Authority placements and high cost care packages to identify any opportunities to reduce costs both in year and into the future. A meeting has been held with learning disability care providers to discuss the review of care packages. Contract renegotiations for the provision of Supported Living will result in savings of £414k in 2015/16. Wherever possible and appropriate to do so, clients' needs are being met in a way which maximises their independence, which is what most clients and families want, and at the same time does not attract high residential care costs.
- 3.14 Following a review of Day Care services there is a forecast underspend due to a reduced number of clients on some schemes, resulting in lower staffing and running costs (-£324k). Additional income from full cost paying clients in respect of in-house residential care for Older People and a review of staffing within in-house Learning Disabilities residential care is resulting in an overall forecast underspend (-£204k).

- 3.15 Other savings identified to reduce the overall pressures on Direct Payments and Independent Sector residential care include efficiency savings on re-tendered supporting People contracts (-£183k), planned delay of new qualifications training until 2016/17 (-£160k), higher than anticipated staff turnover within Adults Commissioning and Performance (-£204k) and further impact of the council wide moratorium on non-essential spend (-£42k).
- 3.16 Neighbourhood services' latest forecast is an underspend of -£470k mainly due to additional income generation from increased demand through the Furnished Homes scheme and savings in staffing costs.

Public Health (Forecast balanced outturn)

- 3.17 The forecast outturn is to spend to budget with an estimated transfer to reserves of £442k. Final confirmation has now been received of the Government's in-year reduction to Public Health grant in 2015/16 (£1.1m). Funding for this has been identified within the Public Health specific grant reserve.

Environment & Development Services (-£564k forecast underspend)

- 3.18 The Environment and Development Services Directorate is currently forecasting an underspend of -£564k. This is composed of a forecast overspend in Asset Management (+£105k), a forecast underspend in Planning Regeneration and Culture (-£50k), Business Unit (-£40k) and Streetpride (-£579k). The net position has not changed since the December monitoring report but there have been some key changes to the forecasts within the different service areas. Income recognised in previous years and in 2015/16 with regard to the proposed sale of the former Greasbrough Road Depot is now considered to be irrecoverable (-£264k) and will be a charge on the revenue budget. This pressure has been offset as a result of the very mild winter which has reduced the cost of carrying out winter maintenance enabling the forecast cost to the end of March to be reduced accordingly.
- 3.19 The Directorate is strictly adhering to the protocol of all vacancies being considered at the management team meetings and are only approved for release where it is business critical to do so. The service is also minimising the use of non-pay budgets wherever possible.

Finance & Corporate Services (+£0.183m forecast overspend)

- 3.20 Overall the Directorate is forecasting an overspend of +£183k for the year, which is an improvement of -£82k on the December forecast outturn. The forecast net overspend is chiefly in respect of continuing additional staff costs within Legal Services (+£181k), additional costs of business support across the Council (+£203k) and one-off costs for senior management recruitment (+£78k). These pressures have been partially offset by underspends in HR & Payroll (-£212k) as a result of vacancy management and additional income from payroll contracts with schools / academies, and underspends in Revenues and Benefits, Financial Services and Procurement through a combination of vacancy management, flexible use of use of one-off grant funding and the over-achievement of supplier discounts and rebates.

- 3.21 For the remainder of the financial year the service will, where is it appropriate and sensible to do so, continue to freeze vacancies as they arise, minimise the use of non-pay budgets wherever possible, maximise the flexible use of grant funding within spending conditions and review any agency contracts to determine if costs can be curtailed.

Corporate & Central Services (-£0.585m forecast underspend)

- 3.22 Additional costs have been incurred within corporate services in respect of responding to the Alexis Jay and Louise Casey reports in such areas as temporary posts and the funding of essential permanent posts.
- 3.23 £0.478m of costs include funding of the new senior management structure (+£253k) and revenue costs of commencing implementation of the new corporate (Children's and Adult's) social care IT system (+£225k) to respond positively to criticisms in the Jay, Ofsted and Casey reports.
- 3.24 The other key pressure within Corporate & Central Services relates to the Imagination Library budget saving proposal agreed when the Council set its 2015/16 budget which will not be delivered in full during the year (+£310k).
- 3.25 These pressures are mitigated by the forecast one-off underspends on the Voluntary Severance/Voluntary Early Retirement budget (-£900k), forecast underspends on the Integrated Transport Authority Levy (-£190k), the Coroners levy (-£120k), the early retirement budget (-£113k) and additional income in excess of budget from the Yorkshire Purchasing Organisation (YPO) dividend (-£50k).

Housing Revenue Account (HRA) – (Forecast -£5.835m underspend)

- 3.26 The Housing Revenue Account is a statutory ring-fenced account that the Council has to maintain in respect of the income and expenditure incurred in relation to its council dwellings and associated assets. The forecast for the HRA is a transfer to reserves of £5.835m mainly due to the downward revision of the Revenue Contribution to Capital Expenditure (by £4.467m) where some capital schemes due to be funded from revenue have been re-profiled into future years. There is also an underspend within Supervision and Management budgets (-£1.079m) due to higher than anticipated staff turnover, a reduction in the provision for potential bad debts (-£319k) and a forecast under-recovery of income due to an increase in the number of void properties.
- 3.19 The budgeted Revenue Contribution to Capital Expenditure has been reduced in order to make use of available Housing Right to Buy receipts to fund certain capital projects. This change in funding will increase the Revenue Account Balance providing greater flexibility in its future use for either revenue or capital purposes which will help mitigate the implications of the Government's enforced rent reduction policy on the future HRA Business and Financial Plan.

Agency, Consultancy and Non-Contractual Overtime Costs

3.26 Details of spend on Agency, Consultancy and Non-Contractual overtime costs are shown in Tables 2, 3 and 4 below. These costs are included within each Directorate's forecast outturn position shown in Table 1 above.

Table 2: Agency costs to February 2016 compared with annual cost 2014/15

Directorate	Outturn 2014/15 (Year)	Cumulative to February 2016 (11months)
	£'000	£'000
Children & Young People's Services	1,532	4,488
Adult Services & Housing	57	484
Environment & Development Services	666	724
Finance & Corporate Services	116	399
TOTAL	2,371	6,095

3.27 Main reasons for agency spend:

Children & Young People's Service: Cover for Interim Director posts; additional Social Work posts and Manager posts to build capacity and deliver the recommendations in the Children's Improvement Plan.

Adult Services: Residential Care and Assessment & Care Management Social Work teams to maintain statutory levels of service, including cover for vacancies and sickness.

Environment & Development Services: Temporary cover for holidays and sickness absence mainly within waste, highways and construction.

Resources: Largely funding additional staff within Legal Services to provide capacity to respond to the recommendations of the Jay and Casey reports.

Table 3: Consultancy Costs to February 2016 and annual cost for 2014/15.

Directorate	Outturn 2014/15 (Year)	Cumulative to February 2016 (11 months)
	£'000	£'000
Children & Young People's Services	356	1,046

Adult Services & Housing	0	302
Environment & Development Services	198	219
Finance & Corporate Services	82	378
TOTAL	636	1,945

3.31 Main reasons for consultancy spend:

Children & Young People's Service: £176k in respect of Education Consultants engaged within the School Effectiveness traded service where costs are recovered from schools and academies and grant funded services, and also includes £594k consultancy costs incurred engaging professionals to address recommendations in the Jay, Ofsted and Casey reports.

Adult Services: Costs relate to the interim Director of Adult Services (significantly funded by the vacant Strategic Director of Neighbourhoods and Adult Services post) and additional project management and business change resources as part of implementing the Service Development Programme.

Environment & Development Services: Specific advice has been required in respect of aspects of the now operational waste PFI contract, specialised valuation advice, planning policy advice and civil engineering advice. Engagement of the Housing Contract and Service Development Manager (funded via the Housing Revenue Account).

Resources and Corporate Services: Costs incurred in relation to capacity building in response to the Alexis Jay and Louise Casey reports and Specialist ICT, digital engagement and information management support.

Table 4: Non-contractual Overtime to February 2016 compared with annual cost 2014/15

Directorate	Outturn 2014/15 (Year)	Cumulative to February 2016 (11 months)
	£'000	£'000
Children & Young People's Services	109	192
Adult Services & Housing	158	277
Environment & Development Services	420	394
Resources	164	158
TOTAL	851	1,021

3.32 Main reasons for spend:

Children & Young People's Service: Provision of staff cover for sickness, holidays and vacancies, mainly within residential units.

Adult Services: Maintaining statutory staffing levels in residential, intermediate care, Rothercare, transport services and social work posts, and represents cover for sickness and delays in recruiting to vacant posts.

Environment & Development Services: Maintaining Streetpride services, Library and Customer Services and Markets.

Resources: ICT staff overtime to maintain business continuity (£30k), Revenues and Benefits to maximise income collection (£113k), and HR and Legal Services (£15k).

3.33 Collection Fund

The Collection Fund is the technical term for the statutory fund into which Council Tax and Business Rates income and costs are accounted for. It is forecast that the budgeted level of Council Tax and Business Rates will both be achieved.

3.34 Transfer to Reserves

Members will recall that a sum of £34.783m arising from the approved amendments to the Council's Minimum Revenue Provision (MRP) profile for pre 2007/08 debt was held within the MRP Adjustment Reserve at 1st April 2015.

- 3.35 This was earmarked to cover the equivalent future cost which would eventually arise from re-profiling this debt 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.
- 3.36 The estimated net impact of this change in disclosure as at 31st March 2016 means that £20.165m of the MRP Adjustment Reserve is to be transferred to the Capital Adjustment Account and then released to revenue over time by taking an MRP holiday. The balance of £14.618m is the amount which would have been released to revenue from the Capital Adjustment Account in respect of the 2014/15 and 2015/16 financial years if the MRP holiday had been applied in those years.
- 3.37 Within the 2016/17 Budget Setting report it was indicated further proposals on the future purpose of this reserve amount would be presented to Members within the 2015/16 (Estimated) Revenue Outturn report. Following

consideration of the on-going and future financial risks to the Council it is recommended, subject to the Council's final outturn position, that funding at the estimated levels indicated should be set aside to manage the following risks:

Insurance

£1m to cover claims incurred but not yet reported to the Council not taken account of in the Insurance Fund balance;

Business Rates

£3.5m to cover residual risks relating to appeals, NHS trusts claim for charitable relief, and business closures; and

Pensions Deficit

£6m to cover the potential increase in back-funding contributions to the South Yorkshire Pension Scheme over the 3 years 2017/18 to 2019/20 following the 2016 actuarial valuation.

- 3.38 Members will also recall that following the allocation of funding from the Transformation Reserve (£8.394m) to support the Revenue Budget in 2015/16 a sum of £8.457m remains within the reserve. £6m of this balance 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 (as set out in the Outline MTFS approved by Council on 2nd March 2016). It is recommended this sum of £6m is transferred to a newly created Looked-After Children Reserve as part of the closure of accounts.
- 3.39 Subject to the Council's final outturn position it is recommended that the balance of £2.457m on the Transformation reserve which has not been specifically earmarked be retained in this reserve recognising both the ongoing improvement programme in particular council services, and other financial pressures on the Council's revenue budget.
- 3.40 In addition to the above it is also recommended that at Outturn, any remaining balance from the £14.618m described above be transferred to the Council's Transformation Reserve.

4. Options considered and recommended proposal

- 4.1 Management actions have been implemented during the course of the financial year to bring spend back in line with budget by 31st March 2016. These actions will remain in place for the remainder of the financial year.

5. Consultation

- 5.1 Budget Managers, Holders and Operators across the Council and the Strategic Leadership Team (SLT).

6. Timetable and Accountability for Implementing this Decision

- 6.1 Strategic Directors, Managers and Budget Holders will ensure continued close management and scrutiny of spend for the remainder of the financial year.
- 6.2 The interim Strategic Director of Finance and Customer Services will ensure, subject to approval, the transfer of funding to reserves as set out in sections 3.37 to 3.40 of this report.

7. Financial and Procurement Implications

- 7.1 All financial details and implications are set out with section 3 of this report.

8. Legal Implications

- 8.1 No direct implications.

9. Human Resources Implications

- 9.1 Social Work staff and Trade Unions are aware of the changes to their contractual terms and conditions of employment.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 No direct implications.

11. Equalities and Human Rights Implications

- 11.1 No direct implications.

12. Implications for Partners and Other Directorates

- 12.1 Partners are aware of budget savings proposals under consideration and being progressed to help mitigate the in-year forecast overspend.

13. Risks and Mitigation

- 13.1 At a time of economic difficulty and tight financial constraints, managing spend in line with the Council's Budget is paramount. Careful scrutiny of expenditure

and income across all services and close budget monitoring therefore remain a top priority if the Council is to deliver both its annual and medium term financial plans while sustaining its overall financial resilience.

- 13.2 Any potential cost of CSE claims over and above that already provided for in the 2014/15 accounts is not included in this report.
- 13.3 Although both Council Tax and Business Rates collection levels are on target there is a minimal risk that this could change during the remaining month of the year.

14. Accountable Officer(s)

Pete Hudson – Chief Finance Manager

Approvals Obtained from:-

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

Interim Director of Legal Services:- Catherine Parkinson

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

<http://modern.gov.rotherham.gov.uk/ieDocHome.aspx?Categories=>

Budget Monitoring Period: Forecast Outturn as at February 2016

Service	Forecast:		Nature of under/overspend: (eg. Staffing, Supplies & Services, income, etc)	Reason(s) for forecast under/overspend
	Overspend (+) £'000	Underspend (-) £'000		
Schools	381		Staffing	£51K for School Trade Union costs & £330K for School Redundancy/Pension costs. £98K Academy conversion deficit and £52k Taxation Assessment
Directorate Wide Costs	615		Staffing, supplies & services	£39k additional employment of Strategic Director, £217K for Interim Deputy Director & Interim Transformation Officer, £4K Cost Modelling Finance consultant, £98K due to the unachievable Special Educational Needs and Disabilities (SEND) saving, £6K supplies, £20K on Shakespeare Festival & £162K on recruitment costs partially offset by -£64k underspend on pensions due to reduction in pensioner numbers & -£17K allocation of Transformation Challenge Award grant
Director of Education & Skills		-1	Income	Use of grant income
School Improvement	182		Staffing, Supplies & services, Income	£129K Shortfall on traded income from schools in the School improvement service, £37K unachieved income target for room bookings at the Rockingham Professional Development Centre, £1K on Youth Enterprise Transport, £13K overspend on Health & Safety & £2K on staffing
Virtual School	21		Staffing, income	£61K due to withdrawal of Dedicated Schools Grant (DSG) funding by Schools Forum & £60K insufficient budget to meet restructured service costs offset with -£100K grant funding
Inclusion Services	716		Staffing, placements, income	£600K Relates to the unachieved SEND saving & a further £131K for the Social Care contribution towards, £15K for shortfall in traded income from schools on the Moving & Handling service offset with staffing slippage -£30K
Early Years services		-68	Staffing, supplies & services	-£45K Delays in recruiting to vacant post, -£16K underspend on supplies & -£7K additional grant income
Facilities Services		-44	Staffing, supplies & services, income	Town Centre Toilets +£10K offset with Hospitality -£9K, Caretakers -£32K & School Crossing Patrol -£13K
Early Help Director & Heads of Service		-56	Staffing	Underspend on Heads of Service posts due to delays in recruitment
Youth Support Services		-118	Staffing, supplies & services, income	£17K forecast overspend on Outdoor Education due to low bookings at Centres offset by -£135K underspend on staff vacancies/voluntary severance & activities in the Youth Service
Early Help Teams		-220	Staffing	Delay in the timing of recruitment to the proposed Early Help structure & staff not in the pension scheme
Education Welfare	57		Income	Withdrawal of DSG Funding by Schools Forum & unachievable income target
Commissioning, Performance & Quality	877		Staffing, supplies & services	Cost of Interim Strategic Lead £125K and additional staff in the Performance Team £233K, Commissioning Team £52K, Business Support £388K, Standards & Development £106K reduced by an underspend on the Assertive Outreach scheme due to part year costs -£27K
Safeguarding Management & Legal	383		Staffing, supplies & services	£4K printing costs, £16K secure Gmail accounts for safeguarding staff, £22K Interim Director of Improvement, £86K on recruitment costs & £255K on legal costs due to the number of exceptional & complex cases linked to the Jay review & other issues
Safeguarding Teams	205		Staffing, income	Loss of DSG £49K withdrawn by Schools Forum & new posts & agency staff
Locality Social Work Teams	2,279		Staffing, Supplies & services, Direct payments, income	£2.096m additional forecast agency & interim costs, £71K additional Direct Payments, £81K Section 17/23 payments, £218K Leaving Care accommodation/young peoples costs, £77K supplies & services, £8K transport offset with -£272K Transformation Challenge Award grant income
Evolve (Sexual Exploitation)	568		Staffing, contracts, income	£279K overspend on contracts to support victims and survivors of Child Sexual Exploitation (CSE), £11K NCC Audit, £16K loss of DSG withdrawn by Schools Forum, £262K additional agency & interim staff including regrading costs
Looked After Children	1,909		Placements, staffing, transport, allowances, premises	£1.694m OOA Residential placements, £443K Independent Fostering placements, £407K on Fostering mainly due to overspends on allowances, £25K on staffing LAC Contact, £2K on LAC transport costs & £114K on Leaving Care Accommodation, plus £363k on additional for in house & disability residential homes due to staff cover/agency/consultants, offset by under spends on Adoption -£672k mainly due to under spend on inter-agency adoption & -£71K slippage on the new Head of Service LAC post
First Response		-5	Staffing, supplies & services	£28K for Out of Hours telephony charge, offset by maternity vacancy
Total	8,193	-512		
Net Under/Overspend	7,681			

2257

Budget Monitoring Period: Forecast Outturn as at February 2015/16

Service	Forecast:		Nature of under/overspend: (eg. Staffing, Supplies & Services, income, etc.)	Reason(s) for forecast under/overspend
	Overspend (+) £'000	Underspend (-) £'000		
Adult Services				
Adults General		-208	Staffing	Higher than anticipated staff turnover within Contract and Reviewing Officers plus planned delay in use of training budget until 2016/17
<u>Older People</u>				
Direct Provision Residential Care		-178	Income	Additional income due to more full cost clients.
Independent Residential Care	461		Third Party Payments	Continued net increase in Residential and Nursing placements (+ 15 for year to date). Average weekly charge to year end is increasing plus under recovery of income against previous years Continuing Health Care (CHC) budget savings target.
Client Community Support Services (Rothercare)		-53	Supplies and Services, Income	Forecast saving on electricity charges and telephone charges plus additional income.
Enabling/Domiciliary Care	117		Third Party Payments	Significant decrease in client numbers (-100) due to clients request to enable them to continue with existing provider outside new Domiciliary Care framework agreement. Many of these clients have consequently transferred to a direct payment to maintain service continuity. This has increased the pressure on the Direct Payments budget - see below. Overall overspend relates to reduction in income from charges as client numbers have reduced.
Assessment & Care Management		-879	Staffing/Income	Vacant Social worker posts plus non recurrent funding/Care Act Funding to reduce overall pressures in Adult Social Care.
Direct Payments	839		Third Party Payments	Increase of 160 new clients since April mainly as a result of framework agreement on Domiciliary Care contract. Continued increase in weekly cost. Reviews being undertaken by Task Group is resulting in some reductions in the cost of care packages. Includes £900k one off Better Care Funding.
Extra Care/Day Care		-183	Supplies and Services, staffing, income	Forecast underspend on non-pay budgets, vacant posts through Voluntary Severance, partially reduced by lower income from client attendance
Carers Support		-12	Supplies and Services	Lower than expected rental charges for Carers Centre
<u>Learning Disabilities</u>				
Supported Living		-487	Third Party Payments/Staffing/Income	Contract savings negotiated with independent provider, staff turnover higher than budgeted in community support plus vacancies in some schemes.
Residential Care		-36	Third Party Payments/staffing	Contract savings negotiated with independent provider plus staff turnover higher than budgeted.
Day Care		-114	Staffing/Income	Staff turnover higher than budgeted plus additional CHC income.
Domiciliary Care	25		Supplies and Services	Delays in reviews resulting in some clients still being paid on domiciliary care framework rather than Direct Payments.

Assessment & care Management		-117	Staffing	Delay on recruitment of Team Manager and Social work posts
<u>Mental Health</u>				
Independent Residential Care	263		Third Party Payments	Additional high cost placements, further high cost placement in January transferred from neighbouring authority
Direct Payments	196		Third Party Payments	Increase placements however, these costs allow maintenance of the client's independence and has prevented admission to more costly Residential Care.
Day Care/Community Support		-82	Third Party Payments	Day Care and Community support budget underspending due to Supporting People budget now funding two contracts for 2015-16 only, plus efficiency savings on contract.
Assessment & care Management		-4	Staffing	Team manager vacancy
<u>Physical & Sensory</u>				
Direct Payments	663		Third Party Payments	Overspend is due to client receiving increased package (+22 clients since April) being reduced by health funding (£226k). Reviews being undertaken by Task Group is resulting in some reductions in the cost of care packages.
Independent Residential Care	312		Third Party Payments	Higher than anticipated increase in residential placements (a net increase of 12 placements since April). A further 2 admissions in January.
Domiciliary Care		-20	Supplies and Services	Review of high cost packages is reducing expenditure
Day Care/Equipment/Advice & Information		-38	Third Party Payments	Efficiency savings after review of contracts
<u>Safeguarding</u>				
Domestic Violence		-4	Income	Non -recurrent PCC funding
Deprivation of Liberty Safeguards (DoLS)	40		Staffing/Third Party Payments/Income	Additional posts to meet demands for Deprivation of Liberty Safeguards (DoLS) following supreme court judgement as agreed by SLT, non-recurrent Specific Grant (£143k) is reducing actual cost.
Safeguarding Assessments		-63	Staffing	Staff turnover higher than budgeted.
Supporting People		-183	Supplies and Services	Negotiated contract reductions and under capacity on demand led 'spot contracts'.
Adults Commissioning		-72	Staffing	Staff turnover higher than budgeted.
Adults Performance		-132	Staffing	Staff turnover higher than budgeted.
<u>Neighbourhoods</u>				
Strategic Housing Investment		-9	Staffing	Small variation due to staff turnover
Housing Options		-259	Supplies & Services, Income	Additional Furnished Homes income from increase in clients plus savings on project costs
Housing & Estate Services		-19	Staffing, Income	Staff vacancy plus additional funding contribution
Safer Neighbourhoods		-60	Staffing, Supplies & Services	Savings on reduced spend on equipment plus secondment/Voluntary Severances
Central		-31	Supplies & Services	Actual insurance costs less than expected plus impact of moratorium on non essential spend

Neigh Partnerships	2,916	-92	Third Party Payments, staffing	Savings on contracted services due to delays in review of area assemblies/neighbourhood working plus voluntary severance. Underspend on Members Community Leadership Fund request to carry forward at year end (approx. £10k)
Net Under/Overspend	-419			

Service	Forecast:		Nature of under/overspend: (eg. Staffing, Supplies & Services, income, etc)	Reason(s) for forecast under/overspend
	Overspend (+) £'000	Underspend (-) £'000		
Asset Management				Service Total (£105k) overspend
Estates	103		Income	Under recovery of income from external work due to general market conditions. This forecast could increase to £200k.
Facilities Management	40		Staffing, Premises budgets	Although there are savings reported from Corporate Landlord and Land and Property due to ongoing planned rationalisation of property, this has reduced since last month to provide revenue contributions for capital spend on Riverside building alterations. More significantly the Greasbrough Road Depot outstanding debtor (£258k) which has previously been identified as at risk, is now known to be irrecoverable and therefore this is now included as a charge to the revenue budget. Work is ongoing to address RDASH outstanding debtor (+£107k) which is being pursued by the Facilities Management Team and also work is ongoing on unquantifiable office move costs due to changes required by CYPs .
Building Design and Corporate Projects		-29	Staffing & Income	Forecasts based on income due for current workload plus an estimate of potential income. Future income is subject to future workload which is reliant upon
Corporate Environmental Team		-23	Staffing, Premises budgets	Lower than budgeted staff turnover and reduced spend on utilities.
Children's Capital Team		-26	Staffing & Income	Small savings from a vacant post and an improved income forecast due to the increase in academy conversions.
Corporate Property Management	40		Staffing	Lower than budgeted staff turnover.
Business Unit				Service Total (-£40k) underspend
Business Unit		-40	Staffing, Supplies & Services	A small pressure on the staffing budget is being offset by savings expected on pensions costs, with a small saving on training budgets.
Planning, Regeneration & Culture				Service Total (-£50k) underspend
Cultural Services		-168	Staffing & Income	Savings within theatre due to staff turnover, income over recovery, partially due to cultural vat exemption, and improved business from the café/bar and a very successful pantomime. The materials fund is also reporting a saving.

Management		-1	Staffing	Lower than anticipated staff turnover
Customer Services		-94	Staffing & Income	Improved position on registrars due to higher than expected income and reduced staffing and agency staff costs.
Regeneration	21		Income	Rental shortfall which is being mitigated in part by savings on staff budgets and non-pay spend.
Managed Workspace (Business Centres)	3		Supplies and services	Management will continue to work towards reducing expenditure at all the centres.
Management	5		Supplies and services	Expected increased costs of the public liability insurance
Markets	44		Income	Shortfall in both outdoor and indoor market rents, and some bad debt write offs. This overspend could be reduced in the future due to generating additional income from the expanding Street Market and new Sunday Market.
Planning	193		Staffing & Income	Planning application income shortfall has increased following a poor month on applications , though this is partially offset by vacant posts.
Rotherham Investment & Development Office (RIDO)	4		Supplies and services	A small variance is currently been reported, which will be reviewed further by management.
Building Control		-56	Income	Increased income from applications, some of which are expected to be significant, continued improvement.
Streetpride				Service Total (-£579k) underspend
Network Management		-158	Staffing, Supplies and Services & Income	The key pressure is an anticipated under recovery of income (+£135k) from Parking. This pressure is mitigated by savings on Street Lighting energy bills, additional income on Streetworks and the management of staff vacancies. (Note : winter maintenance forecast currently showing in risks and uncertainties section, £150k, this has been reduced further due to the uncharacteristic weather during the winter period)
Waste Management		-156	Staffing, Supplies and Services & Income	Waste Management is currently reporting an overall underspend although there have been increased overtime costs to support the Christmas working arrangements and spare resources being used on collection and recycling operations. Some costs have been mitigated by a slight improvement in income on bulky items and commercial waste, and lower than anticipated publicity costs, and from contributions from the PFI recycling operations.
Leisure and Green Spaces		-36	Staffing & income	Some small pressures across the service (countryside parks, including Thrybergh Country Park) are being offset by savings from vacant posts, and increased rechargeable works income on Trees & Woodlands.

Community Services	42	Staffing, Supplies and Services & Income	Pressure due to lower than budgeted staff turnover, some agency costs and late receipt & payment of ad-hoc 14/15 Dog Warden (vet fees) and Pest Control due to a loss of contracts and external works. These pressures have been partly mitigated by lower than budgeted charges for Cleansing Waste Disposal.
Corporate Transport Unit (incl Stores & Depot)		-59 Staffing, Supplies and Services & Income	There is still a pressure on Home to School Transport due to changes in routes / demand. The overspend on this account has reduced due to some routes being cheaper than originally forecast (+£53k). This is being mitigated by Stores & Depots (-£123k) - projecting an underspend due to staff vacancies and stores income. Depot contracted services and depot sweeping is now chargeable to the corporate landlord budget.
Transportation		-49 Staffing & Income	This is predominantly due to a vacant post in Transportation (+£33k) and Unit Manager vacancy in March (+£5k), with reduced spend on non pay budgets were spend is not essential, showing a saving on CCTV (-£20k).
Corporate Accounts		-101 Staffing	Saving due to a vacant post being managed across the service, and reprofiling expenditure to 2016/17.
Emergency Planning, Health & Safety		-35 Staffing & Supplies and Services	Savings from a vacant post and maternity leave and a carry forward from 14/15. As per the joint Emergency Planning arrangement with Sheffield City Council, any underspend should be carried forward.
Business Regulation		-28 Staffing, Supplies and Services & Income	The main pressure remains within Licensing largely due to agency costs employed resulting from CSE findings work cks). Partially off-set by a forecast underspend on Trading Standards as a result of vacant posts and reduced non pay expenditure. And smaller under spends on Bereavement Services, and in the Food, Safety & Animal Health service due to staff savings (maternity leave).
Total	494	-1,059	
Net Under/Overspend	-564		

Budget Monitoring Period: Forecast Outturn as at February 2016

Service	Outturn Variance 2015/16		Nature of under/overspend: (e.g.. Staffing, Supplies & Services, income, etc)	Reason(s) for forecast under/overspend
	Overspend (+) £'000	Underspend (-) £'000		
ICT	0			Forecast balanced Outturn
Communications and Media	76		Staffing, income	Forecast staff cost pressure and agency costs associated with engagements to assist the Council with reputation management. Costs associated with web enhancement. Unachieved income in the Design studio.
Legal Services	181		Staffing, agency, income	Locum solicitors and additional staffing costs relating to maternity cover and Interim Assistant Director of Legal Services post. Increased staffing resource in Information Governance Unit to manage increase in workload. Overachieved legal income.
Democratic Services		-163	Members Allowances	Savings expected due to Members not receiving full Supplementary Responsibility Allowances (SRAs).
Elections	13		Staffing & Supplies & Services	Essential staff cover plus overspend on printing and postages due to Individual Electoral Registration.
Statutory Costs	114		Supplies & Services	High volume of statutory notices/planning notices. The forecast overspend may change in 2015/16 depending on number of notices required and any unanticipated corporate legal costs arising in year.
Business Unit	203		Staffing, income	Increased management support in keeping with new senior management structure. Unachievable income target relating to Central Print and Planned Print.
Human Resources (HR) & Payroll - Corporate Services		-212	Staffing, supplies & services, income	Reduced staff costs (vacancies), additional income generation, supplies & services savings
HR & Payroll - Service Centre		-28	Staffing, supplies & services, income	Reduced staff costs (vacancies and savings relating to VER/VS), loss of anticipated income, overspend on supplies & services budget specifically ICT.
Policy and Performance	12		Staffing, supplies & services	Additional staffing costs.
Procurement		-62	Staffing, supplies & services	Staff cost savings - maternity leave, Supplier volume discounts in excess of budgeted level and
Financial Services		-26	Staffing & Supplies & Services	Staff vacancies , training budget savings.
Revenues & Benefits		-66	Staffing & Income	Flexible use of grant income and staff vacancies
Internal Audit & Insurance	63		Staffing	Staff cost pressures to support 15/16 audit programme
Recruitment for Senior Posts	78		Staffing	Recruitment costs relating to Senior Posts
Net Under/Overspend		183		

Summary Sheet

Cabinet/Commissioners Decision Making Meeting – Monday 11th April 2016

Cabinet Members: Councillors Lelliott, Watson and Alam

Title

Schools Capital Programme 2016/17 to 2017/18

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, Environment and Development Services

Report Author(s)

Robert Holsey

CYPS Capital Programme Manager

Corporate Property Unit - Environment and Development Services

Telephone Number: 01709 823723

robert.holsey@rotherham.gov.uk

Ward(s) Affected

All

Executive Summary

The following report details the proposed Schools Capital Programme for the period 2016/17 to 2017/18. It references the Capital Strategy which informs the Programme, the amount of capital grant funding received or expected to be received and the individual projects which have been identified for approval to schools within Rotherham over the next 2 years.

Recommendations

Cabinet is asked to approve:

1. The outline Schools Capital Programme for the period 2016/17 and 2017/18 and for the individual projects highlighted in 7.2 of the report, which are fully funded by grant, and therefore have no implications for the Council's revenue budget.

2. The delegation of the decision to the Strategic Director Regeneration, in consultation with the Strategic Director CYPS, to reallocate funds to other priority projects in accordance with need and the asset strategy and in consultation with the relevant portfolio holders should unforeseen delays impact on individual project delivery during the year.

List of Appendices Included

Appendix 1 – Children’s and Young People’s Services (CYPS) Capital Programme, list of Major Projects

Appendix 2 – CYPS Capital Maintenance Projects

Appendix 3 – Improving Lives Scrutiny Committee, School Planning, Admissions and Appeals update

Appendix 4 – List of Temporary Classrooms

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

School Planning Admissions and Appeals Update considered by the Improving Lives Scrutiny Committee on 21st January 2016 and updated on 30th April 2015.

Council Approval Required

Yes

Exempt from the Press and Public

No

CYPS Capital Programme 2016/17 to 2017/18

1. Recommendations

Cabinet is asked to approve:

- The outline Schools Capital Programme for the period 2016/17 and 2017/18 and for the individual projects highlighted in 7.2 of the report, which are fully funded by grant, and therefore have no implications for the Council's revenue budget.
- The delegation of the decision to the Strategic Director Regeneration, in consultation with the Strategic Director CYPS, to reallocate funds to other priority projects in accordance with need and the asset strategy and in consultation with the relevant portfolio holders should unforeseen delays impact on individual project delivery during the year.

2. Background

2.1 CYPS Capital Priorities

2.1.1 The CYPS Capital Team's priorities for the available capital grant funding are:

- Schools to be kept safe, dry and warm for all its pupils;
- Sufficient pupil places for a rising population.

2.1.2 There are three funding streams which are available, the details of which are below:-

- **School Condition Allocation** is a grant fund that is devolved to local authorities to improve the infrastructure of the school estate in line with the local asset management plans. It places the emphasis on the local authority to prioritise essential building condition work within their school estate; which includes primary schools, secondary schools, special schools, City Learning Centres and Children's Centres.
- The projects which will benefit from this grant funding over the period are the capital maintenance projects. A budget is allocated each year and the individual school priorities are assessed according to need and the priority of keeping schools safe, dry and warm.
- **Basic Need** grant funding enables local authorities to provide additional school places to cope with growing numbers. This grant is allocated by the Department for Education (DfE) over 3

years and is in recognition of the unprecedented increase in pupil numbers being experienced by many local authorities.

- The main projects to benefit from this funding over the period are extensions at Brampton Ellis Primary School, Dalton Foljambe Primary School, Laughton J and I school and Wath CofE Primary School. (See Appendix 1).
- The DfE is currently building and renewing schools under their **Priority School Building Programme (PSBP)**. This focuses on the condition of the building and whether it is more cost effective to replace rather than repair. Rotherham was successful in Round 1 of the PSBP bids with two new schools; Wath Victoria Primary School and Oakwood Academy which are currently being constructed and will be open by summer 2016.
- Rotherham was also successful in Round 2 of the PSBP bids. New buildings at Harthill Primary School, Newman and St. Pius Catholic High School are part of the programme. It is a six year programme which finishes in 2021. Commencement dates for these projects are to be confirmed by the DfE.
- PSBP funding does not pass through the Council's Capital programme or accounts, but is delivered directly by the Education Funding Agency on behalf of the DfE.

2.2 **Prioritisation**

The projects which provide additional school places (Basic Need) are prioritised by assessing birth rate data, house building and the current numbers of pupil on roll. This is provided by the School Place Planning team within CYPS. This data is also shared and consulted upon with the Strategic School Organisation group which meets termly.

2.3 **Capital Programme Proposals**

2.3.1 The table in Appendix 1 provides details of the individual projects, which includes the estimated budget cost, priority level, source of funding and a brief description. Funding is allocated according to the need and to meet strategic priorities.

2.3.2 **Pupil Places**

In the past few years there has been a record level of demand for school places in Rotherham and in particular in the centre of Rotherham. During those years there have been a number of expansions at various schools to cater for this increase in demand.

Expansions at Herringthorpe Infant and Junior schools, Listerdale Primary School and a temporary expansion at Broom Valley Primary school have provided sufficient places. To fully meet the demand in the centre of Rotherham a new 315 place primary school has been built at Eldon Road in Eastwood Village. The works undertaken will provide sufficient school places for the foreseeable future.

2.3.3 The demand for school places will constantly be monitored throughout all areas of the Borough. A report to scrutiny titled School Planning, Admissions and Appeals update on the 21st January 2015 is contained within Appendix 3. This provides details of current and future demands on pupil places in each learning community in Rotherham. Areas of demand are highlighted and projects to address that demand are included in the basic need projects within this report.

2.3.4 **Special Educational Needs**

The need for additional special educational places is set to increase in the coming years. This, combined with the increased take up of specialist provision, has resulted in the need for additional places. The extent and location of additional accommodation is unknown at present. An initial allocation of £500,000 of the grant funding has been earmarked for these works.

2.3.5 There are currently four pupil referral units in Rotherham and the use and offer that these provide is currently under review. Alterations may be required to the current buildings or the provision of additional buildings to meet the needs of the offer. An initial allocation of £500,000 of the grant funding has been earmarked for these works.

2.3.6 **Temporary Classroom Replacement**

There are currently 29 temporary (modular) classrooms on primary school sites. The age and condition of these classrooms varies. The classrooms have a finite useful life and as the age increases the condition worsens, impacting on the teaching and learning environment. The use of the classrooms, as well as the condition, is taken into account when prioritising the replacement of the temporary classrooms. Those used for teaching statutory aged children are the highest priority. Appendix 4 shows the number of modular classrooms, use, condition and action required.

2.3.7 The age, condition and use of these classrooms has been assessed and those in most need have been included within the Capital Programme where funding allows.

2.4 Current Approved Capital Programme

2.4.1 The following projects were approved by Council on the 2nd March 2016 for inclusion in the Council's Capital Programme 2016-2021:

- Capitalised Minor Enhancements – 2016/17 - £1,800,000
- Badsley Moor Primary Classroom - £65,000
- High Greave J & I Children's Centre - £170,000

Total value of Approved Projects - £2,035,000

This report requests that the items identified in section 7.2 are also added to the Council's Capital Programme 2016-2021.

2.4.2 Schools Condition (Capitalised Minor Enhancements)

The school condition allocation must take account of the needs of all the local authority maintained schools including foundation trust schools, special schools and Sure Start centres. By working closely with these schools, officers within the Children's and Young People Service and the Corporate Property Unit, have identified the priorities and ensured that the schools are safe, warm and dry places to learn and work. A copy of the programme of work is shown in Appendix 2. These projects represent the £1.8m funding approval in respect of Capitalised Minor Enhancements referred to in 2.4.1.

2.4.3 The Asset Management Plans across the corporate estate are being reviewed. This will include the school estate. Once the programme is determined and surveys updated this will inform the priorities for the next 5 years.

3. Key Issues

3.1 The local authority has a statutory duty to provide sufficient school places. This is the case for all schools and special schools, academies, diocesan or locally maintained schools.

3.2 The Schools Capital Strategy is to ensure schools are safe, dry and warm. Investment in the fabric of the building follows this principle, providing a teaching environment which is conducive to teaching and learning.

4. Options considered and recommended proposal

4.1 The Schools Capital Programme is constantly reviewed to meet the demands and needs of teaching and learning in Rotherham. The current Programme represents the needs of Rotherham as a whole, as well as individual schools.

- 4.2 The projects highlighted will provide sufficient school places across Rotherham and provide buildings which are safe, warm and dry for the foreseeable future.

5. Consultation

- 5.1 Consultation has taken place with Karen Borthwick, Director of Lifelong Learning and Dean Fenton, Service Lead for Schools Admissions and Appeals. It was agreed that the projects were all consistent with the Schools Capital strategy.
- 5.2 The allocation of the capital maintenance funding is consulted upon with all schools who are eligible (LA maintained). Each school's priorities are assessed and evaluated by the CYPS Projects Team according to need.

6. Timetable and Accountability for Implementing this Decision

- 6.1 Preparation in respect of some of the projects within the 2016/17 financial year has commenced in 2015/16 to allow time for surveys and design. On approval of this report, these revenue costs will be capitalised.
- 6.2 On approval of this report the tender processes for 2016/17 projects will commence.
- 6.3 The projects at Brampton Ellis CofE Primary School, Kiveton Park Infants School and Dalton Foljambe Primary School will commence on site in May 2016 and will be completed for the autumn term in 2016.
- 6.4 Accountability for the School's Capital Programme will be with Paul Smith, Corporate Property Manager and Robert Holsey, CYPS Capital Programme Manager

7. Financial and Procurement Implications

- 7.1 The table below shows the available capital funding received and anticipated from the Department for Education (DfE) for Basic Need and capital maintenance allocations for 2016/17 and 2017/18.

Funding	2016/17	2017/18
Estimated Grant Balance Brought Forward	£2,596,835	£2,667,342
Capital Maintenance grant.	£2,420,132	£1,500,000 (est)
Basic Need grant.	£2,415,375	£1,979,138
Total Funds Available	£7,432,342	£6,146,480
Deduct Schemes previously approved (2 nd March 2016) see 2.4.1	£2,035,000	0
Deduct Projects for which approval is sought in this report. (see 7.2 below)	£2,730,000	£5,150,000
Total Funding remaining to be allocated	£2,667,342	£996,480

7.2 Approval is sought for the following major projects in 2016/17.

- Brampton Ellis CofE Primary School – three additional classrooms to cater for an increase in admission numbers – Estimated value £900,000.
- Kiveton Park Infants School – new nursery building to replace old and dilapidated temporary nursery classroom unit. – Estimated value £400,000.
- Dalton Foljambe – two classrooms to cater for an increase in pupil numbers – Estimated value £430,000.
- Additional specialist education provision. Details to be agreed and will be the subject of a further report. – Provisional budget of £500,000
- PRU Adaptations to current PRU accommodation subject to PRU review. – Provisional budget of £500,000

Total value of major projects for which approval is sought - £2,730,000.

Approval is sought for the following major projects in 2017/18.

- Brampton Cortonwood Infants – Additional classroom to support increase in admission numbers – Estimated value £250,000.
- Wath CE Primary School – One temporary classroom to accommodate bulge class – Estimated value £150,000.
- Laughton J and I School – extension to cater for increase in admission number due to house building in the area – Estimated value - £1,200,000.
- Rawmarsh Sandhill Academy – two additional classrooms to cater for an increase in admission numbers – Estimated value - £450,000.
- Increase primary pupils places in the Thrybergh learning community – Details to be agreed - Estimated value - £600,000
- Increase secondary pupil places in 3 learning communities – Details to be Agreed - Estimated value £2,500,000.

Total value of major projects for which approval is sought - £5,150,000.

- 7.3 The projects will be procured using the YorBuild framework in line with Standing Order requirements, to ensure that the Council receives value for money.

8. Legal Implications

- 8.1 The Local Authority has a statutory duty to provide sufficient school places across the Borough.
- 8.2 The additional places are to be provided in any type of school, whether it is an academy, faith or LA maintained school.

9. Human Resources Implications

- 9.1 There are no human resources implications arising from this report.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 The major theme supported by the proposals is to ensure that everyone has access to skills, knowledge and information to enable them to play their part in society. It is likely that the expansion(s) would enable more parents to access their first preference school for their child and therefore increase that performance indicator.

Rotherham School Improvement Partnership Mission:

- all students making at least good progress
- no underperforming cohorts
- all teachers delivering at least good learning
- all schools moving to at least the next level of successful performance

11 Equalities and Human Rights Implications

- 11.1 Additional school places will provide educational opportunities for all.
- 11.2 There are no human rights implications.

12. Implications for Partners and Other Directorates

- 12.1 There are no implications on partner organisations.
- 12.2 The projects will be designed and delivered by Environment and Development Services as well as the planning section within the same directorate.

13. Risks and Mitigation

- 13.1 There is a risk that planning will not be granted for the various construction projects highlighted. Early consultation with Planning will be conducted to mitigate this risk.
- 13.2 The schools condition allocation is an estimate for 2017/18. The estimate is conservative, however, it is possible it could be lower than anticipated. The amount of capital maintenance funding in the programme would be reduced to reflect any shortfall in anticipated funding.

14. Accountable Officer(s)

Paul Smith, Corporate Property Manager

Robert Holsey, CYPS Capital Programme Manager.

Approvals Obtained from:-

Interim Strategic Director of Resources and Transformation –

Jon Baggaley, Finance Manager, EDS & Capital

Director of Legal Services: - Stuart Fletcher – Service Manager

Head of Procurement (if appropriate):- Not applicable.

Appendix 1 - Capital Programme and Capital Strategy

SCHEME NAME	FUNDING SOURCE	Additional Funding sought 16/17 (£m)	Additional Funding Sought 17/18 (£m)	Total Project Funding	DESCRIPTION
Capital Strategy					
Special Education Provision	Basic Need	£0.500		£0.500	The need for additional specialist education provision has been identified. Location and type of provision yet to be established.
PRU Adaptations	Basic Need	£0.500		£0.500	Provisional budget to adapt or change current PRU accommodation subject to recommendations of PRU review.
Brampton Ellis Primary School	Basic need	£0.900		£0.900	Additional classroom needed to cater for increase in admission number.
Kiveton Park Infant	SCA	£0.400		£0.400	Replacement nursery building. Current building is of modular construction, suffers from damp and is at the end of its useful life.
Dalton Foljambe	Basic Need	£0.430		£0.430	2 Classrooms made larger to accommodate 30 children to meet net capacity. Condition Improvement Fund bid to EFA to run in parallel, if successful can be removed from programme.
Brampton Cortonwood Infants	Basic need		£0.250	£0.250	Additional classroom to support increase in admission number.
Wath CE Primary School	Basic need		£0.150	£0.150	One additional classroom to accommodate a bulge year group.
Laughton J & I	Basic need/SCA		£1.200	£1.200	Replacement of temporary classroom and 2 additional classrooms. Increased birth rate and large amount of house building provides basis for increasing the PAN from 24 to 30.
Rawmarsh Sandhill Academy	Basic need		£0.450	£0.450	Permanent expansion from 30 to 45 pupils per year group will require 2 additional classrooms.
Thrybergh learning community - primary places	Basic Need		£0.600	£0.600	Additional primary school places required in the Thrybergh learning community.
Additional secondary school places in 3 learning communities	Basic Need		£2.500	£2.500	Additional secondary school places required in 3 learning communities, due to increase in primary school school places moving up to the secondary phase.
	Total	£2.730	£5.150	£7.880	

Appendix 2

School	Project	Budget
Anston Hillcrest Primary	Boiler replacement & heater replacement	100,000.00
Anston Park Infants	Roofing	25,000.00
Arnold Centre	Boiler replacement	15,000.00
Rawmarsh St Marys PRU	Boiler replacement	79,000.00
Aston Hall Primary	Kitchen Canopy (ventilation system)	45,000.00
Aston Lodge Primary	Kitchen Canopy (ventilation system)	45,000.00
Badsley Moor Primary	re roofing (full roof)	150,000.00
Badsley Moor Primary	Boiler replacement	25,000.00
Blackburn Primary	Kitchen Canopy (ventilation system)	45,000.00
Blackburn Primary	Boiler replacement	5,000.00
Bramley Sunnyside Infant	Roofing feasibility/repairs	5,000.00
Sunnyside Junior	Corridor re-roof	50,000.00
Sunnyside Junior	Heating distribution/feasibility	5,000.00
Brinsworth Howarth Primary	re roofing (kitchen)	80,000.00
Brinsworth Howarth Primary	Drainage	5,000.00
Brinsworth Whitehill Primary	Emergency Lighting	10,000.00
Broom Valley Primary	Firedoors replacment	9,000.00
East Dene Primary	Changing room - adaptation	3,722.00
High Greave Infants	New Flue	6,000.00
Hilltop Special	Ceiling replacment (classrooms)	100,000.00
Kilnhurst Primary	Heating pipework	5,000.00
Kiveton Park Meadows Junior	Access control gates	5,000.00
Maltby Academy Secondary	Boundry Wall	20,000.00
Newman Special	Roof repairs	5,000.00
Newman Special	Fire alarm system	50,000.00
Rawmarsh Ryecroft Infant	re-roof Bridge space	15,000.00
Redscope Primary	Entrance Lobby /toilet/damp remedial work	15,000.00
Redscope Primary	Boiler House Asbestos removal	100,000.00
Rockingham Junior & Infant	Fencing	15,000.00
Roughwood Primary	Roofing feasibility/repairs	5,000.00
Roughwood Primary	Drainage	5,000.00
Sitwell Infants	Roofing and RWG	50,000.00
St Anns Junior & Infant	Roofing	150,000.00
St Thomas CofE	Roofing	40,000.00
Swallownest Primary	New Entrance	80,000.00
Swinton Comprehensive	Smoke detection equipment	75,000.00
Swinton Fitzwilliam Primary	Structural work (Main Hall)	25,000.00
Swinton Queen Primary	New Flue	10,000.00
Thorpe Hesley Primary	DDA work ramps door room adaptations	70,000.00
Todwick Primary	Doors and windows External	25,000.00
The Willows Special	Flood protection (Land)	2,000.00
Unallocated/contingency		300,278.00
		1,875,000.00
Income from other sources		75,000.00
Total		1,800,000.00

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Improving Lives Scrutiny Committee
2.	Date:	21st January 2015 (updated 30th April 2015)
3.	Title:	School Planning, Admissions and Appeals update
4.	Directorate:	Children and Young Peoples Services

5. Summary

This report provides an update to the Improving Lives Scrutiny Committee in relation to School Planning, Admissions and Appeals activity and outcomes.

6. Recommendations

It is recommended that the Committee notes the report and current position in relation to School Planning, Admissions and Appeals.

7. Proposals and Details

Overview of new school places created

School Expansions from January 2011 to September 2014:

Key:

Sch = School
PAN = increase in 'Published Admission Number' from - to
Thru = Total eventual through School places created

Funding stream(s) used to finance the project:

basic need = Allocated by the DfE to address capacity shortfalls

Section 106 = Developer funding to secure infrastructure shortfall from new housing

Abbreviations:

FS2/R Foundation Stage 2 / Reception class
 Y2/6/7/11 Year Group
 SEN Special Educational Needs

Sch	PAN	Thru	Funding
Thornhill Primary	30/45	105	basic need
Flanderwell Primary	30/45	105	basic need
Aston Hall J & I	30/45	105	basic need
Herringthorpe I and J	70/90	140	basic need
Treeton Primary	37/45	56	basic need
Catcliffe Primary	25/30	35	basic need
Sunnyside I and J	80/90	70	section 106
Bramley Grange Primary	40/45	35	N/A
Kilnhurst Primary	28/30	14	N/A
Listerdale J & I	30/45	105	basic need
Wath CE Primary	30/45	105	basic need/section 106
Thurcroft Infant	60/75	45	basic need/section 106
Total Primary places	140 (FS2)	920 (FS2/ Reception to Y6)	
Wickersley SSC	300/330	150	targeted basic need
Total Secondary places	30	150 (Y7 to Y11)	
Newman School		30	basic need
Flanderwell Primary		10	basic need

Appendix 3

Total SEN Places		40	
Cumulative Total	170	1110	
Temporary increases:			
Broom Valley	60/90 FS2/R	30	basic need
	60/75 Y2	15	
	60/75 Y3	15	
Brinsworth Howarth	30/45 Thru	105	section 106
Wales Primary	30/45 FS2/R	30	basic need
Total Temporary places		195	

Future permanent School Places (2015 to 2017):

Eastwood Village Primary	0/30/45	210/315	targeted basic need
Cortonwood Infant	40/50	30	section 106
Ellis Junior	70/80/90	80	basic need/section 106

Currently working with the Headteacher and the governing Body at Thorogate J & I to create an FS2 'bulge year' class for 2016/17 academic year by utilising **Section 106** funding from the 'Wickets' development at Upper Haugh.

Currently working with the Executive Headteacher and Trustees at Sandhill Primary Academy in relation to working in partnership to increase future capacity at the School for 2016/17 academic year to accommodate a 'bulge year' and future cohorts. (basic need / possible future **Section 106** funding).

Future projects will be determined by:

The outcome of the Local Plan and confirmed brought forward sites for development, Future pupil number projections eg birth statistics, movement, migration, Ofsted profiles of schools etc

Potential new Schools:

Waverley - **Section 106** agreement in place to create 2 x 2 form (60 PAN) entry Primary Schools – subject to trigger points being reached.

Bassingthorpe Farm – should this development come forward there will need to be a **Section 106** agreement in place to create a new Primary School.

NB: There is an Academy / Free School presumption in place under current Government legislation in relation to the control of all new schools.

2015/16 Academic Year School Admissions – National Offer Day summary**School Places Summary - Primary FS2 / Reception:**

Total Number of applications = 3187

Preference	% preferences satisfied
1 st	93.98
2 nd	4.05
3 rd	0.56

Total of **98.59%** of applicants offered one of their three preferences for entry in to school for the 2015/16 Academic Year.

2014/15 summary - Total number of applications = 3280

98% of applicants were allocated one of their preferences
(91.5% 1st preference, 5% 2nd preference, 1.5% 3rd preference)

Key points:

3 schools were unable to accommodate siblings (7 Children)

School Places Summary - Secondary Y7:

Total number of applications = 3261

Preference	% preferences satisfied
1 st	94
2 nd	4
3 rd	1

Total of **99%** of applicants offered one of their three preferences for entry in to school for the 2015/16 Academic Year.

Key points:

All schools got to distance category before refusing places.

2014/15 summary - Total number of applications = 3157

99% of applicants were allocated one of their preferences
(95.5% 1st preference, 3% 2nd preference, 0.5% 3rd preference)

Key points:

Appendix 3

All schools were able to accommodate 'on time' catchment area and sibling category pupils, last places in all schools were allocated on the 'distance' category.

Extra District Import / Export figures:

Rotherham is traditionally a NET importer of pupils from neighbouring Authorities. Annually there is a NET import extra district pupil cohort of between 1600 and 2000 pupils on roll in Rotherham schools following analysis of in / out of district allocations. The number varies dependant on cohort size eg a large FS2 cohort entering school may replace a much smaller Y11 cohort leaving school, resulting in a potential year on year variation.

DfE Basic Need Scorecard:

The DfE have this Academic Year introduced a Local Authority Scorecard on School Place Planning and the use of Basic Need funding:

(Basic Need funding from DfE to address school place shortages – current allocation for 2014/15 is £1.45M).

Quantity:	Increase in pupil numbers between 2009 and 2016	= 10%
	Total Basic Need allocated 2011 to 2017	= £18M
	2013 to 2016 minimum places to deliver	= 1,090
	2016 onwards places to deliver	= 360 +

plus new housing pupil yields as a result of the Local Plan implementation (Section 106 / CIL funding subject to trigger points)

Quality:

84% of new places delivered in good / outstanding schools – compared to the National average of 79%

Proportion of new school places delivered in below average schools = 7% (22% National average) - based on Key Stage 2 outcomes

Cost:

Cost of expansions in Rotherham is 14% below the National average

Rotherham is in the lowest 40% cost banding nationally for delivering new school places

Admissions

The Service processes approximately 10,000 Primary, Secondary and in year admission applications annually.

Admissions Appeals

Wath Comprehensive School had a waiting list of 96 children for entry into Y7, there were 28 applications received for appeal. The Authority for the first time trialled a group appeal where on Monday 12th May the school and Local Authority presented its case for refusal of places to the parents of the affected pupils and a question and answer session followed.

The Independent Panel then decided that the Admissions Authority had acted in accordance with regulatory requirements and moved the Appeals forward to the second stage which was individual cases of appellants. Cases were heard all day Tuesday 13th May and up to mid afternoon on Wednesday 14th May.

Feedback from the Independent Panel Members and the overwhelming view of appellants was that the group appeal process was extremely positive. The group appeal reduced the staffing implications from 4 full days of appeals to 2 full days equivalent.

The group appeal process was also scrutinised by the Schools Adjudicator in relation to an objection received from an appellant in response to the panels decision in relation to an individual case. The resultant view of the Adjudicator being that Rotherham had conducted the appeals in line with the Appeals code of practice.

During the 2013/14 academic year a total of 442 appeals were heard.

Fair Access

Separate Primary and Secondary school Fair Access Panels operate to review school place applications when all statutory processes are exhausted for 'hard to place' pupils. Fair Access Panels will place a child in a school after consideration of the case, the direction from Fair Access Panel is a binding decision on the receiving school.

School places overview by Learning Community:**Central (South and East)**

Primary: All schools in the area are oversubscribed and this remains a pressure area for this academic year. The new Eastwood Village Primary school opening September 2015 will relieve pressure in this area and create a surplus of places across the learning community for the foreseeable future. The School will be sponsored by the Central Learning Partnership and the Trust will have options available to enhance learning opportunities for children in this area by having control of admission numbers at the 3 schools (Eastwood Village, Coleridge, East Dene).

Secondary: Oakwood High School remains oversubscribed but continues to accommodate all catchment area and sibling category pupils and the last remaining places are allocated on distance category during normal admissions round. Clifton Comprehensive pupil numbers remain static until 2017/18 when numbers start to increase. The school has sufficient capacity beyond 2021.

Rawmarsh Learning Community

Primary: Bulge cohort year projected for 2016/17 and plans to address this have been detailed earlier in the report. Sandhill catchment area projections remain higher than PAN in future years.

Secondary: Cohort numbers continue to be stable with numbers starting to rise from the 2018/19 academic year onwards. The school has sufficient capacity beyond 2021.

Wath Learning Community

Primary: Bulge year 2014/15 before projections reduce to more normal level until 2018/19. Expansion of Wath C of E and longer term plans for Cortonwood Infants and Brampton Ellis Primary to address projected pupil increases as a result of Housebuilding.

Secondary: Wath Comprehensive and St Pius both oversubscribed. Wath Comprehensive is still meeting catchment Area and Sibling demand and the last places are allocated annually on distance category. Subject to future funding programmes PAN increase required at one / both school to meet future demand from 2021/22 onwards.

Wickersley/Bramley Learning Community

Primary: Previous expansions of Sunnyside, Bramley Grange, Flanderwell and Listerdale Schools have addressed capacity / place issues at present time.

Secondary: Wickersley SSC remains oversubscribed but successful targeted basic need bid for 17 additional classrooms will provide further accommodation for future higher cohorts. Catchment Area and Sibling category applications are met and the last remaining places are allocated on distance category annually. This remains the picture for the foreseeable future.

Aston Learning Community

Primary: Previous expansions in area have addressed capacity / place issues for the foreseeable future. Treeton area has had recent high cohort numbers but numbers have now started to recede to Admission Number level.

Secondary: Aston Academy remains oversubscribed, all catchment area and sibling category pupils are allocated a place, the last remaining places are allocated on distance category from extra district. School is in the Waverley catchment area and catchment area pupil numbers will start to increase as the Waverley development expands. Future expansion required to meet catchment area demand approx. 2025 onwards should current housebuilding rates continue.

Brinsworth Learning Community

Primary: Sufficient capacity at present due to the temporary expansion of Brinsworth Howarth J & I, Brinsworth Schools receive pupils on distance category from extra district.

Secondary: Cohort numbers starting to rise as a result of catchment area and extra district numbers, school has sufficient capacity for the foreseeable future. School is in the Waverley catchment area and catchment area pupil numbers will start to increase as the Waverley development expands approx. 2025 onwards.

Wales and Thurcroft Learning Community

Primary: Following the permanent expansion of Thurcroft Infant School and the temporary expansion of Wales Primary School there is sufficient capacity in the learning community to meet projected demand. 2014/15 and 2015/16 are the bulge cohort years in this area.

Secondary: Wales High School remains oversubscribed however all catchment area and sibling category pupils are allocated during normal admissions round with the last places being allocated on distance category annually.

Dinnington and Anston Learning Community

Primary: 2014/15 bulge year, all applicants were accommodated within the learning community. The next bulge year is expected in 2018/19. Housebuilding in Laughton J & I increasing pressure on school, small increase in PAN required to meet increasing future catchment area demand.

Secondary: Numbers static at present starting to rise from 2020 onwards.

Swinton Learning Community

Primary: 2015/16 bulge year, capacity is currently sufficient within the learning community to accommodate all pupils.

Secondary: Numbers static and starting to rise from 2019/20 academic year.

North and West Learning Community

Primary: Bulge years 2014/15 and 2016/17, capacity is currently sufficient within the learning community overall to accommodate all pupils, however catchment area pupil numbers have increased in the Ferham area in recent years and Ferham Primary School remains oversubscribed in several year groups. Ferham will remain on a watching brief. Bassingthorpe Farm development would have significant infrastructure implications and a Section 106 / CIL agreement will need to address education implications.

Secondary: Cohort numbers rising but remain within PAN for the foreseeable future at Winterhill School. Bassingthorpe Farm will increase cohort numbers with PAN increases projected post development at Winterhill and Wingfield.

Maltby Learning Community

Primary: 2014/15 Academic Year bulge year, all applicants were able to be accommodated within the learning community. Cohort numbers are stable. Potential development in Maltby Manors catchment area will require additional pupil places

Secondary: Cohort numbers rising but remain within PAN for the foreseeable future.

Thrybergh Learning Community

Primary: Bulge year projected for 2017/18 similar level of pupils projected to 2013/14 levels which were all accommodated within the learning community.

Secondary: Cohort numbers static and start to increase from 2019/20 academic year onwards. Pupils can be accommodated within PAN for foreseeable future.

8. Finance

Funding for the school expansion projects is from:

Basic Need Funding – Allocated to Local Authorities to address school place shortages (funding is allocated following DfE analysis of the annual School Capacity and Planning (SCAP) submission.

Targeted Basic Need Funding – Ringfenced funding allocated to Local Authorities following successful business case bids to expand existing schools or build new schools.

Section 106 developer Education impact contributions (the LA is currently consulting on CIL levy in to the future). Section 106 contributions are subject to the Local Authority being able to 'meet the test' in evidencing that a development will create a pupil place deficit in school places in the local area and is subject to trigger points and time limited allocation and spend.

schools need to plan for expansions and appoint additional teaching and non teaching staff for the additional cohort. Funding for the additional staffing will be generated as a result of the additional pupils on roll and will be part of the school's annual budget. However, in the first year of operation, as the pupils will not be on roll in time for the school's budget to be allocated for the financial year, additional funding is requested from the Contingency for Pupil Growth Fund to cover the funding gap via Schools Forum.

9. Risks and Uncertainties

There are always risks and uncertainties when school place provision is considered since future pupil numbers are based on estimations. Over provision at one school could influence pupil numbers at other schools. Local Authorities are obliged, however, to provide sufficient places, promote diversity and increase parental preference.

10. Policy and Performance Agenda Implications

The major theme supported by the proposal is 'to ensure that everyone has access to skills, knowledge and information to enable them to play their part in society'. The delivery of timely additional school expansions will enable more parents to access their first preference school for their child and, therefore, increase that performance indicator.

Rotherham School Improvement Mission:

- ~ All children will make at least good progress
- ~ There will be no underperforming cohorts
- ~ All teachers will deliver at least good learning
- ~ All schools will move to the next level of successful performance

11. Background Papers and Consultation

The Local Plan and sites brought forward for development by planning application.

School Capacity and Planning (SCAP) returns to DfE.

The School Organisation (Establishment and Discontinuance of Schools) Regulations 2013

The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013

School Organisation (Maintained Schools) guidance for proposers and decision makers (January 2014)

Consultation with relevant stakeholders.

Reports to Cabinet / Cabinet Member in relation to proposals to make prescribed alterations to Schools.

Contact Name :

Dean Fenton (Service Lead – School Planning, Admissions and Appeals)

Tel: 01709 254821

Email: dean.fenton@rotherham.gov.uk

REPORTS – CHECKSHEET

This Checksheet must be completed by all report writers and the Democratic Services Officer.

Meeting:	Improving Lives Scrutiny Committee
Date:	21st January 2015 (updated 30th April 2015)
Title:	School Planning update
Directorate:	Children and Young People’s Services

1. Have you completed this report strictly in accordance with the Cabinet template and guidance notes?

YES

(The template/guidance notes can be used from the Intranet – Resources A-Z under “C” for Cabinet report.

2. Has the Chief Executive or relevant Strategic Director approved this report for consideration by Members?

YES

Name of Report Author:- Dean Fenton

3. Is the report **OPEN** or **EXEMPT**? If exempt please give reason(s).

.....

5. Is, or may the report be, a key decision? If so has the Director of Legal Services been consulted?

YES/NO

To be completed by Democratic Services Officer

1. Confirm that you have done a quality control check before publishing this report.

YES/NO

2. Specify any amendments made:-

.....

Appendix 3

3. Check OPEN or EXEMPT.

Name of Democratic Services Officer:-

Appendix 4 - Temporary Classrooms - 2015/16

School	No. of temps	Purpose / Usage	Condition	Action
Aston Lodge Junior and Infant	1	Community Use	Poor	To be removed 2016
	1 (double)	Nursery	Poor	To be removed 2016 and replaced with new build
Aston Hall Junior and Infant	1	Teaching	New, installed 2012.	Maintain
Brampton Ellis Primary	1	Teaching	New, installed 2014.	Maintain
Flanderwell Primary	2	Teaching - to be removed	2 on site not used and to be relocated.	Relocate to High Greave
Harthill Primary	3	2 for Teaching	Poor	To be replaced as part of PSBP2
		1 Pre School	Good	Maintain
Kilnhurst J&I	1	Teaching as from September 2012	Average	Maintain
Kiveton Park Inf	1	Nurse	Poor	To be replaced in 2016
Laughton J&I	1	Teaching	Poor	To be replaced in 2017
Maltby Manor Inf	1	Community Room	Average	Maintained by Academy
Rawmarsh Ashwood Junior and Infant	1	Community / small group work	Average	Maintained by Academy
Rawmarsh Ryecroft Infant	2	Both Teaching	Average	Review
Rawmarsh Sandhill	1 (double)	Community / small group work	Poor	Maintained by Academy
Roughwood Primary	1	External use only - Nursery provision	Poor.	Maintain, repairs being undertaken.
St Anns J&I	1	Community Room	Average	Maintain
Thurcroft Infant	2 (doubles)	Children's Centre / Classroom	Good condtion	Maintain
	1	Pre School / Classroom	Average	Maintain
Wales Primary	1	Pre School	Good	Maintain
	1	Pre-school	Good	Maintain
	1 (double)	Y1 classrooms	Good	Maintain
Whiston Worry Goose J&I	1	Community / small group work	Poor	Replace by Academy if funding bid successful
Wickersley Comp	1 (double)	classroom	Good	Maintain
Wath Comp	1 (double)	classroom sports	Good	Maintain

Summary Sheet

Council Report

Cabinet / Commissioners Decision Making Meeting - 11th April 2016

Title

Request for Exemption from Contract Standing Orders to Continue and Extend the Children's Centre Contracted Provision at The Arnold Centre, Aughton Early Years and Rawmarsh Children's Centre

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

Yes

Strategic Director Approving Submission of the Report

Ian Thomas, Strategic Director CYPS

Report Author(s)

Karla Capstick – Head of Service Early Help (Strategic Lead for Children's Centres)
Early Help and Family Engagement
karla.capstick@rotherham.gov.uk
01709 255901

Ward(s) Affected

Holderness Ward, Rawmarsh Ward and Rotherham East Ward.

Summary

The purpose of this report is to seek an exemption under Standing Order 38 from the provisions of Standing Order 48, to enable the extension of the three Children's Centre contracts for a further two years pending a full review of Early Help in 2017/2018. The Local Authority has had annual contracts in place with the three Nursery schools since 2011. Prior to 2011 there was one contract per centre for the three year period 1st April 2008 to 31st March 2011. This was funded from the Sure Start Grant which was confirmed in advance for the three year period. The current contracts were revised in May 2015 following updates to reference the impending move to the Early Help Service and to streamline the content. The current contracts are due to expire on 31st March 2016.

The extension of the current contracts will ensure consistency for vulnerable children and families and ensure that the Local Authority is able to meet its Statutory Duty in having sufficient numbers of centres for those most in need.

A full re structure of Rotherham's Children's Centres took place between January 2014 and April 2015. As a result of this restructure there has been a reduction in the numbers of designated Children's Centres across Rotherham from 22 to 12. The formal transfer to the new structure took place on April 1st 2015.

Of the remaining 12 Centres, the Local Authority has a contract arrangement with the Governing Bodies of three Nursery schools, (Aughton Early Years, Arnold Centre and Rawmarsh Children's Centre) to continue to deliver the Children's Centre provision. The three settings have all been judged by OFSTED to be outstanding provisions as schools and day care, with The Arnold Centre recently receiving the Rotherham Gold Charter Status. All three Centres are currently performing well against the Local Authority targets and are in line to be good or outstanding for the financial year ending 31st March 2016. The remaining nine centres were offered for tender but remain led and managed by the Local Authority.

The Local Authority has a Statutory Duty to ensure it has sufficient numbers of Children's Centres to meet the needs of those children and families with the greatest need across Rotherham.

The children's centre portfolio transferred from the Education and Skills Service into the Early Help Service on the 1st October 2015. The Early Help Service is currently engaged in a consultation with staff, partners and young people as part of the £422,000 savings to be made in 2016/17. The Children's Centre offer will be reviewed as part of the wider Early Help transformation and savings required in 2017/2018.

Annual challenge meetings are in place with the three Centres. In 2016/17 and 2017/2018 annual targets will be agreed with the school Head Teachers that meet the requirements of the Local Authority and the populations the Centres serve.

The Children's Centres provide valuable early intervention support and services to vulnerable young children and their families. All three centres are well established and are well regarded in the communities they serve They also support the work of safeguarding through their co –working, involvement and support in hosting Child Protection Conferences and Child in Need (CiN) meetings. An extension of the current contracts will ensure continuity for those children and families most in need.

Rotherham Metropolitan Borough Council staff (15 Full Time Equivalent) are currently employed within the three centres, line managed by the Head Teachers and the centres receive Quarterly payments. If this was to cease there would be Human Resource implications for staff employed in the centres; including changes to line management, potential relocation and redundancy and potential mileage expenses. There would also be implications for partners who jointly deliver within the Centres, including health colleagues and staff from the Department for Work and Pensions.

Recommendations

That Cabinet agrees to seek an exemption under Standing Order 38 from the provisions of Standing Order 48.

That Cabinet agrees to extend the contracts for a further two years, with an annual review. This will bring the Centres in line with the full Early Help review and transformation and enable a continued service for vulnerable children and families. It will also provide the Local Authority with the ability to respond effectively to Local and National targets; including budget demands and OFSTED.

List of Appendices Included

Appendix 1 – List of 12 Children’s Centres and associated Wards.

Background Papers

Sure Start Children’s Centres Statutory Guidance, Department for Education, April 2013.

The framework for children’s centre inspection from April 2013 (OFSTED)

Cabinet Report - 15th January 2014 – Early Years and Child Care Services including Children’s Centres.

Cabinet Report - 30th April 2014- Interim Report in Respect of Children’s Centres Public Consultation.

Cabinet Report – 18th June 2014 – Early Years and Child Care Services, including Children Centres – Consultation Feedback report.

Cabinet Report – 6th August 2014- Children’s Centre budget options to achieve required savings.

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

Yes

Exempt from the Press and Public

No

Title:

Request for Exemption from Contract Standing Orders to Continue and Extend the Children's Centre Contracted Provision at The Arnold Centre, Aughton Early Years and Rawmarsh Children's Centre

1. Recommendations

- 1.1 That Cabinet agrees to seek an exemption under Standing Order 38 from the provisions of Standing Order 48.
- 1.2 That Cabinet agrees to extend the contracts for a further two years with an annual review. This will bring the Centres in line with the full Early Help review and transformation and enable a continued service for vulnerable children and families. It will also provide the Local Authority with the ability to respond effectively to Local and National targets; including budget demands and OFSTED.

2. Background

- 2.1 A full re structure of Rotherham's Children's Centres took place between January 2014 and April 2015. This included a full consultation, equalities impact assessment, and full cabinet approval. As a result of this restructure there has been a reduction in the numbers of designated Children's Centres across Rotherham from 22 to 12.
- 2.2 The Local Authority has a Statutory Duty to ensure it has sufficient numbers of Children's Centres to meet the needs of those children and families with the greatest need across Rotherham.
- 2.3 The formal transfer to the new structure took place on April 1st 2015. Of the remaining 12 centres, the Local Authority has a contract arrangement with the Governing Bodies of three Nursery schools (Aughton Early Years, Arnold Centre and Rawmarsh Children's Centre) to continue to deliver the children's centre provision.
- 2.4 The Local Authority has had annual contracts in place with the three Nursery schools since 2011. Prior to 2011 there was one contract per centre for the three year period 1st April 2008 to 31st March 2011. This was funded from the Sure Start Grant which was confirmed in advance of the three year period.
- 2.5 The current contracts were revised in May 2015 following updates to reference the impending move to the Early Help Service and to streamline the content.
- 2.6 During the restructure process, consideration was given to tendering out these centres, however the footprint of these buildings was deemed too complex to determine a difference between the school, children's centre

and day care areas, and so these three centres remained as contracted provision.

- 2.7 The remaining nine centres were offered for tender, but remain led and managed by the Local Authority. Eight are grouped into pairs with one single leadership and governance arrangement over each pairing.
- 2.8 The three settings, (Aughton Early Years, Arnold Centre and Rawmarsh Children's Centre) have all been judged by OFSTED to be 'outstanding' provision as schools and day care, with The Arnold Centre recently receiving the Rotherham Gold Charter Status. They are all currently performing well against the Local Authority targets for Children's Centres and are in line to be Good or Outstanding for the financial year ending 31st March 2016.
- 2.9 These centres are led by the three Nursery Head Teachers, providing a saving to the Local Authority of the staffing costs of three Heads of Centre at Band K (£39,267 with on costs total £51,820 (top of scale)).
- 2.10 The children's centre portfolio transferred from the Education and Skills Service into the Early Help Service on the 1st October 2015. Early Help is currently engaged in a consultation with partners, staff and young people as part of the £422,000 savings to be made in 2016/17. The Children's Centres will be reviewed as part of the wider Early Help transformation and savings required in 2017/2018.
- 2.11 Rotherham's Children's Centres are all, (with the exception of Maltby Stepping Stones), located on or within school sites, with close links to Early Years provision.
- 2.12 Annual challenge meetings are in place with the three Centres. In 2016/17 and 2017/2018 annual targets will be agreed with the school Head Teachers that meet the requirements of the Local Authority and the populations the Centres serve.

3. Key Issues

- 3.1 If an exemption from standing orders is not granted the Council will not be able to meet its Statutory Duty to ensure it has sufficient numbers of Children's Centres to meet the needs of those children and families with the greatest needs.
- 3.2 Given that the last restructure process was only finalised in April 2015, it is not possible within current timescales to invite tenders from alternative suppliers or to bring the service back 'in house'.
- 3.3 The Children's Centres provide valuable early intervention support and services to vulnerable young children and their families. All three centres are well established and well regarded in the communities they serve. They also support the work of safeguarding through their co-working, involvement and support in hosting Child Protection Conferences and

Child in Need meetings. An extension of the current contracts will ensure continuity for those children and families most in need.

- 3.4 It is essential that the contract continues as Rotherham Metropolitan Borough Council staff are currently employed within the centres. If this was to cease there would be Human Resource implications for staff in the centres (fifteen Full Time Equivalent); including changes to line management, potential relocation or redundancy and potential mileage expenses.
- 3.5 There would also be implications for partners who jointly deliver services within the Centres including health (baby clinics, 'stay and weigh' sessions, breastfeeding support services etc.) and the Department for Work and Pensions Employment Advisors and Independent Advisors (benefits, employment and debt advice).

4. Options considered and recommended proposal

- 4.1 That Cabinet agree an exemption under Standing Order 38 from the provisions of Standing Order 48 to extend the three contracts for a further two years with an annual review.
- 4.2 It is recommended from April 2016 that the contracts are revised as required annually to bring the Centres in line with the full Early Help review and transformation. It will also provide the Local Authority with the ability to respond effectively to Local and National needs and targets. OFSTED will imminently (Spring/Summer 2016) be announcing its new framework for Children's Centres Inspections and this will also guide future decisions by the Local Authority.
- 4.3 Retender the provision or bring the Centres back under Local Authority control. There is not adequate time to complete the re tendering process, alongside consultation with staff and stakeholders.
- 4.4 The three settings (Aughton Early Years, Arnold Centre and Rawmarsh Children's Centre) have run the Children's Centres since 2008. They have a good relationship with the Local Authority and are now linked directly to the Early Help Service, with the three Head Teachers attending all relevant Early Help meetings and Development events.
- 4.5 The three settings (Aughton Early Years, Arnold Centre and Rawmarsh Children's Centre) have all been judged by OFSTED to be 'outstanding' provision as schools and day care, with The Arnold Centre recently receiving the Rotherham Gold Charter Status. They are all currently performing well against the Local Authority targets for Children's Centres and are in line to be Good or Outstanding for the financial year ending 31st March 2016.
- 4.6 All three centres are well established and well regarded in the communities they serve. They also support the work of safeguarding through their co-working, involvement and support in hosting child

protection conferences and child in need meetings. An extension of the current contracts will ensure consistency for those children and families most in need.

- 4.7 Therefore, Option 4.1 with the added implementation of 4.2 as required is the recommended proposal.

5. Consultation

- 5.1 Not applicable.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The current contracts were due for renewal on the 1st April 2016.

7. Financial and Procurement Implications

- 7.1 The costs of the individual contracts are listed below:-

	15/16 budget	16/17 budget	17/18 estimate *
The Arnold Centre	£136,865	£145,569	£154,303
Aughton Early Years	£194,818	£194,495	£206,165
Rawmarsh Children's Centre	£213,308	£228,385	£242,088
TOTAL	£544,991	£568,449	£602,556

*Figures provided by Early Help Finance Officer and based on a 6% increase to the budget (in line with associated overheads and cost of living, wage increases combined). This figure would be reviewed in line with the Early Help budget and with advice from colleagues in finance.

8. Legal Implications

- 8.1 The Local Authority has a Statutory Duty to ensure it provides sufficient numbers of Children's Centres to meet the needs of those children and families with the greatest need across Rotherham.

9. Human Resources Implications

- 9.1 Rotherham Metropolitan Borough Council staff are based in the three contracted centres and are overseen by the nursery school Head Teachers. If this was to cease there would be Human Resource implications for the 15 full time equivalents (FTE) staff in the centres, including changes to line management, potential for relocation or redundancy and possible increased mileage expenses.

10. Implications for Children and Young People and Vulnerable Adults

10.1 The Children's Centres provide valuable early intervention support and services to young children and their families. All three centres are well established and well regarded in the communities they serve. They also support the work of safeguarding through their co-working, involvement and support in hosting child protection conferences and child in need meetings. The Local Authority has a statutory duty to ensure it provides sufficient numbers of children's centres to meet the needs of those children most in need.

11 Equalities and Human Rights Implications

11.1 The three Centres have a 'reach' that cover areas with high deprivation (30% Super Output Area). The total population of children under 5 years old and those living in the 30% Super Output Area (SOA) is outlined below.

Centre	Number of Children under 5 living in the area	Number of children under 5 living in the 30% SOA*
The Arnold Centre	1995	427
Aughton Early Years	2148	823
Rawmarsh Children's Centre	1162	986

* 30% Super Output Area (SOA) is a national measure for deprivation.

12. Implications for Partners and Other Directorates

12.1 Health partners and Department for Work and Pensions jointly deliver from the Children's Centres. Baby clinics, 'stay and weigh sessions' and breast feeding support sessions all form part of the Health offer. Debt and benefit advice alongside employment advice are offered by the Department for Work and Pensions officers and independent advisors. The ability to jointly deliver services is important to ensure best outcomes for children and families and to support partners in meeting their National and local targets of engaging with vulnerable children and families.

13. Risks and Mitigation

13.1 If an exemption from standing orders is not granted the Council will not be able to meet its Statutory Duty to ensure it has sufficient numbers of Children's Centres to meet the needs of those children and families with the greatest needs.

- 13.2 Given that the last restructure process was finalised in April 2015, it is not possible within current timescales to invite tenders from alternative suppliers or to bring the service back 'in house.'
- 13.3 It is essential that the contract continues as Rotherham Metropolitan Borough Council staff (15 Full Time Equivalents) are currently employed within the centres. If this was to cease there would be Human Resource implications for staff in the centres; including changes to line management, potential relocation and redundancy and potential mileage expenses
- 13.4 There would also be implications for partners who jointly deliver services within the Centres including health (baby clinics, 'stay and weigh sessions', breastfeeding support services etc.) and the Department for Work and Pensions Employment Advisors and Independent Advisors (benefits, employment and debt advice).
- 13.5 That Cabinet agrees to seek an exemption under Standing Order 38 from the provisions of Standing Order 48.
- 13.6 That Cabinet agrees to extend the contracts for a further two years, with an annual review. This will bring the Centres in line with the full Early Help review and transformation and enable a continued service for vulnerable children and families. It will also provide the Local Authority with the ability to respond effectively to Local and National needs and targets; including, children and family's needs, budget demands and OFSTED.

14. Accountable Officer(s)

David McWilliams – Assistant Director Early Help and Family Engagement
Karla Capstick – Head of Service, Early Help (South)

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:- Joanne Robertson

Director of Legal Services:- Ian Gledhill

Head of Procurement (if appropriate):- Emma Fairclough

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

<http://modern.gov.rotherham.gov.uk/ieDocHome.aspx?Categories=>

Summary Sheet**Council Report**

Cabinet/Commissioner Decision Making Meeting – 11th April 2016
Commissioner Julie Kenny (for decision)
Councillor Lelliott

Title

RMBC Fairs and Charges Report

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

No

Strategic Director Approving Submission of the Report

Caroline Bruce, Interim Strategic Director, Environment & Development Services

Report Author(s)

Dean Thurlow - Markets Operations Manager
EDS / Markets
01709 365021
dean.thurlow@rotherham.gov.uk

Ward(s) Affected

All Wards are potentially affected depending on applications for fairs.

Executive Summary

To consider the Fairs and Charges Report 2016 for the Borough in accordance with RMBC Audit requirements.

List of Appendices Included

None

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Title : RMBC Market Fairs and Charges Report – 11th April 2016

1. Recommendations

- a) **To approve the 2016 fairs schedule as detailed in section 4.1**
- b) **To reject three additional fairs applications due to objections received.**
- c) **To approve that all charges for 2016/17 are held at current levels.**

2. Background

- 2.1 Rotherham Market Service reviews the Borough Fairs applications annually and provides a report containing recommendations for Cabinet approval.
- 2.2 All current and registered fairground operators are required to apply to the Market Service for consent to hold a fair in Rotherham. In the case of existing fairs, consent for a fair to run again is usually granted provided the landowner is in agreement and no complaints were received from residents or third parties.
- 2.3 For applications to hold new or additional fairs the Markets Service will take into account the views of the landowner, representations from the Showmen's Guild, the views of local residents and health and safety considerations.
- 2.4 Nationally the Showmen's Guild reports that income from fairs is in decline. Operators are therefore keen to identify new fairs to generate revenue and support the sustainability of an industry that the Guild argues delivers attractive cultural events that support community cohesion. The Guild has also made representations that the current charges for operating fairs should be reduced to reflect the reduction in margins for fairground operators.
- 2.5 On the first day of the fair the Markets Operations Manager will undertake the Fairground Risk Assessment to ensure complete safety throughout which includes:-
 - Adequate emergency procedures and escape routes.
 - Slip and trip hazards.
 - All fairground rides to have a valid Amusement Device Inspection Procedures Scheme (ADIPS) tested certificates.
 - Operators public liability insurance must be valid and cover any accident to the value of £5M.

Subject to the operator meeting all requirements the Markets Operations Manager will give full consent and allow the fair to open. Any failure to adhere to the Fairground Risk Assessment will result in a closure notice being issued.

3. Key Issues

- 3.1 To consider and approve the current fairs schedule.
- 3.2 To reject the additional fairgrounds due to resident and RMBC Green Spaces objections.
- 3.3 To agree no change in the charge for operating a fair for 2016/17.

4. Options considered and recommended proposals

- 4.1 There have been no material concerns raised about the holding of fairs on the current schedule. The Markets service therefore recommends approving the current fairs schedule for 2016 as follows:-

• Victoria Park	14 th April - 17 th April
• Spring Fair Herringthorpe	19 th May - 22 nd May
• St Pauls Kimberworth	16 th June - 20 th June
• Clifton Park	28 th June - 3 rd July
• Clifton Park	24 th August - 30 th August
• Greasborough RC	1 st September - 4 th September
• Rotherham Show	10 th September - 11 th September
• Wood Lea Common	12 th September – 17 th September

- 4.2 New Fairground Applications were received for

4.2.1 **Bramley Park 7th May – 14th May**

Residents have expressed concerns regarding this location as listed in section 5. The Markets Service has considered the objections and concerns and agrees to recommend rejecting this fair application.

4.2.2 **Greenlands Park North Anston 6th July – 10th July**

RMBC Green Spaces Manager has concerns for Greenlands Park as listed in section 5. The Markets Service has considered the objections and concerns from Green Spaces and previous history of objections from local residents and agrees to recommend rejecting this fair application.

4.2.3 **Bow Broom 12th May – 15th May**

Ward Members have reported strong objections to this fairground from local residents as listed in section 5. The Markets Service has considered the objections and concerns and agrees to recommend rejecting this fair application.

- 4.3 The Showmen's Guild has made representations asking that the charge for operating a fair be reduced to reflect declining income for fairs operators. The Markets Service has considered but does not support this request, instead recommending another year at the same charges.
- 4.4 Consideration has also been given to the potential to increase charges to increase revenue to the Council. The revenue from operating fairs is

reducing and it is not considered that there is sufficient scope to increase charges at this stage.

5. Consultation

5.1 Consultation with the applicants and residents took place in January 2016 for the three new applications.

5.2 Land owner approval has been obtained from the RMBC Green Spaces for the Bramley Park Fairground, but Bramley Parish Council has cascaded objections and concerns from local residents in respect of the following :-

- Visitor parking problems.
- Heavy good vehicles access and egress.
- Noise disturbance for residents.

5.3 Objections to the fairground at Greenland Park North Anston have been received from RMBC Green Spaces. Previous applications to hold fairs at this location have generated objections from local residents and ward members arising from concerns about vehicular access and disturbance to local residents.

5.4 For the proposal to hold a fair at Bow Broom Recreation Ground objections were received from RMBC Members on behalf of residents within the close proximity to the Bow Broom. The objections can be summarised as:-

- In the main people were against the sighting of a fair on the Bow Broom Recreation Ground with some quite strong views expressed by some long standing neighbouring residents.

5.6 The consultation exercise for the three new applications for fairs has revealed objections from residents, RMBC Members and the Green Spaces service and therefore officers are recommending these applications are rejected.

6. Timetable and Accountability for Implementing this Decision

6.1 Once approved the Market Service will give full consent to applicants within three working days.

7. Financial and Procurement Implications

7.1 The Markets service recommends approving the existing schedule of fairs and rejecting the new applications.

7.2 As detailed in sections 2.4 and 4.3 of this report, the Showmen's Guild has made representation to RMBC requesting a reduction in charges due to the difficult trading conditions for this industry. Officers have considered this request and recognise the challenges within this sector and therefore recommend freezing the charges at the 2015/16 level. The

schedule for each venue is detailed below and will generate charges to fairs operators of £12,641.63.

Venue	Operator	Charges	Days Open
Victoria Park	W Percival	£952.00	4
Spring Fair Herringthorpe	W Percival	£2,000.00	4
St Pauls Kimberworth	A Moran	£470.00	5
Clifton Park	J Holmes	£1,664.00	6
Clifton Park	W Percival	£1,664.00	6
Greasborough RC	W Percival	£820.00	4
Rotherham Show 2016	All Applicants	£4,561.63	2
Wood Lea Common	J Holmes	£510.00	4
Totals	8	£12,641.63	35

7.3 The fairs income is split 50:50 with RMBC Leisure Green Spaces Service (which supports part of the financial costs to maintain these areas) and the Markets Service. The Rotherham Show fairs income is split 50:50 with the Events Team to financially support the Rotherham Show operating costs.

7.4 Market Service Management costs for these fairgrounds are minimal.

8. Legal Implications

8.1 No Legal implications within this report.

9. Human Resources Implications

9.1 No Human Resources implications within this report.

10. Implications for Children and Young People and Vulnerable Adults

10.1 These fairs can provide positive experiences for families and young people. To meet safeguarding duties full Enhanced DBS certificates will be in place for 2016.

11. Equalities and Human Rights Implications

11.1 No Equalities and Human Rights Implication within this report.

12. Implications for Partners and Other Directorates

12.1 No partners and other directorate implications other than those considered within this report.

13. Risks and Mitigation

13.1 Any risks to the Council are mitigated by the consultation carried out beforehand and by the site specific risk assessments undertaken prior to the fairs opening.

14. Accountable Officer(s)

Approvals Obtained from:-

Robert Harrison – RMBC Principal Finance Officer EDS.

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

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

Summary Sheet

Council Report

Cabinet/ Commissioner Decision Meeting – 11 April 2016
Cabinet Member: Councillor Lelliott
Commissioner: Commissioner Kenny for decision

Title

Riverside House LED Lighting Upgrade

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

No

Strategic Director Approving Submission of the Report

Caroline Bruce – Interim Strategic Director of Environment and Development Services

Report Author(s)

Paul Smith – Corporate Property Manager
Corporate Property Unit
Paul.Smith@rotherham.gov.uk
01709 254061

Ward(s) Affected

Boston Castle

Executive Summary

This report is looking at the feasibility of replacing the existing Riverside House lighting with more energy efficient LED technology lighting, resulting in an estimated 69% saving on the annual lighting cost for the building.

Recommendations

Commissioner Kenny is asked to:-

- 1.1 Approve the inclusion of the Riverside House LED lighting upgrade in the Capital Programme (2016-2021).
- 1.2 Approve the funding of the project through a combination of £262,000 prudential borrowing, over a period of 20 years and a loan of £78,000 from the Salix Local Authority Energy Financing (LAEF) fund.
- 1.3 Note that this investment will achieve savings of £863,924 over this period (£47,748 per year from 2019/20).

List of Appendices Included

Appendix A - Calculation - Riverside LED

Appendix B – Annual Revenue Savings

Background Papers - None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public - No

Main Report

Riverside House LED Lighting Upgrade

1. Recommendations

Commissioner Kenny is asked to:-

- 1.1 Approve the inclusion of the Riverside House LED lighting upgrade in the Capital Programme (2016-2021).
- 1.2 Approve the funding of the project through a combination of £262,000 prudential borrowing, over a period of 20 years and a loan of £78,000 from the Salix Local Authority Energy Financing (LAEF) fund.
- 1.3 Note that this investment will achieve savings of £863,924 over this period (£47,748 per year from 2019/20).

2. Background

- 2.1 The current energy efficient compact fluorescent lighting in Riverside House has now been superseded by more efficient LED technology. It is proposed that the existing lighting is replaced point for point with new LED lighting, resulting in energy efficiency and carbon savings. This will equate to an overall 69% reduction in lighting consumption, saving approximately £68,000 per year on electricity costs. See Appendix A for detailed calculations.

Replacement of:

Amount	Current Light	Replacement Light
1,153	4 x 24W recessed luminaires	25W LED
381	4 x 24W emergency luminaires	25W LED
1,253	2 x 26W down lights	20W LED down lights
503	2 x 26W emergency down lights	20W LED

3. Key Issues

- 3.1 RMBC corporately has adopted a target of reducing CO₂ emissions by 2% year on year. Energy efficiency is a key contributor to achieving this target, alongside the financial benefit of reducing energy costs.

4. Options considered and recommended proposal

- 4.1 Various light fittings have been sampled and installed in Riverside House to consider their stability and suitability. The manufacturers tested were Thorlux Lighting, Apollo Lighting, Profile Lighting, Luceco Lighting, Whitecroft Lighting and ASD Lighting.
- 4.2 Corporate Property Unit has carried out a period of trials and market testing to arrive at the specified light fittings, to which the Rhapsody Fitting by ASD Lighting has been selected as the preferred system; this selection is based on many factors:

- Cost of the fitting (competitively priced) many other manufacturers were more expensive.
- Suitability and aesthetics of the luminaire for an office environment, in accordance with Chartered Institute of Building Service Engineers guidelines.
- Efficiency of both the opal diffuser and the LEDs providing excellent lumens per circuit watt, far in excess of the building regulations requirements.
- Luminaires use good quality and reputable LEDs and drivers (Tridonic) and as such a 5 year guarantee against failure is included.
- Quoted burning hours for LEDs of 100,000 and 50,000 hours for the drivers, this is a big improvement over the current fluorescent lighting technology installed.
- There is a very quick lead time for delivery of luminaires (several days to a week) compared with other manufacturers quoting between 6 and 12 weeks.
- 30+ years of UK manufacturing (based in Rotherham) employing over 200 people.

4.3 On approval of the project, the RMBC Mechanical and Electrical Section will be procuring a contractor via the YORbuild framework, to purchase and install the fittings and the contractor will also be allowed to tender appropriate alternatives.

5. Consultation

5.1 There has been no formal consultation. The new fittings have been sampled in key areas of the building without complaint.

The fittings comply with the required Chartered Institute of Building Service Engineers (CIBSE) lighting design criteria LUX levels and levels will be monitored during installation with our electrical engineers.

6. Timetable and Accountability for Implementing this Decision

6.1 On completion of the tender process, installation will begin as soon as possible and will be completed during out of hours to avoid disruption to the building and should take 6 months from start to finish.

6.2 Post installation the energy consumption on each floor/wing will be monitored and a report produced to evidence energy savings achieved.

7. Financial and Procurement Implications

7.1 The current total estimated cost is £340,000 (including fittings, labour, project management fees and a 5% contingency). It is proposed that the project is included in the 2016-2021 Capital Programme as an Invest to Save Scheme and funded through a combination of £262,000 prudential borrowing and £78,000 from the Salix LAEF fund. The prudential borrowing will be over a period of 20 years, which is consistent with the asset life assumed in the street lighting invest to save initiative. The

annual revenue cost arising from prudential borrowing of £262,000 is £20,349. This becomes payable from 2017/18. The Council has sufficient headroom within its approved Prudential Indicators and Limits for 2016/17 to 2018/19 to enable it to use prudential borrowing for this scheme.

- 7.2 The Local Authority Energy Financing (LEAF) scheme is a ring fenced 'Invest to Save' fund with 50% financed by the Carbon Trust and the remaining 50% match funded by RMBC, totalling £440,000. The scheme provides loans to finance energy saving projects and repayments are made from energy savings. LAEF is administered by Salix Finance on behalf of the Carbon Trust and they set spending targets each year. Failure to achieve the spending targets could result in Salix Finance claiming all or part of the match funding back. There is a requirement to confirm the spending target will be met (£78,000) by the end of 2015/16. There are no other projects that are sufficiently advanced in their development, which would enable this target to be met. Therefore, it is proposed to use this LAEF funding for the Riverside House scheme.
- 7.3 The prudential borrowing and LAEF repayments will be made from savings achieved through the electricity operating budget, as per the repayments schedule set out in Appendix B. The full annual energy savings have been estimated to be £68,097 per annum. Based on the installation programme, it has been estimated that 50% of these savings, £34,049 will be available in 2016/17, as there are no loan repayments in that year. In 2017/18 there will be a small cost to revenue of £3,324 as a result of the requirement to repay £51,073 of the LAEF loan in that year, along with the cost of prudential borrowing. In 2018/19 the remainder of the LAEF loan, £26,266 becomes repayable, leaving a revenue saving of £21,483. The full year's revenue saving of £47,748 will be available from 2019/20.

The table below summarises the annual estimated revenue savings to the Riverside House budget, arising from this scheme. The detailed information is provided in Appendix B. These are savings that have not currently been factored into the Council's revenue budget and MTFs, so they will need building in and the achievement of these savings monitored as part of the Council's revenue budget monitoring process.

NET SAVINGS AFTER LOAN PAYMENTS

Year	Annual Revenue Savings
2016/17	£34,049
2017/18	-£3,324
2018/19	£21,483
2019/20 ongoing	£47,748

- 7.4 The energy savings have been calculated using the current electricity contract rates. Current market estimates are that electricity prices will continue to rise over the next 5 years in the region of 30% in total, so the saving is likely to be higher than that currently projected.

- 7.5 Riverside House is leased by the Council under PFI arrangements to 1st September 2046 and therefore the loan will be repaid before this date.

8. Legal Implications

- 8.1 If approved, these works will be added into a Licence for Alterations to be granted by the Landlord of Riverside House. This is currently being prepared for other ongoing works. We are required to pay the Landlord's reasonable legal fees, but these will not increase as a result of the inclusion of the lighting works.
- 8.2 Compliance is required with CIBSE and Health and Safety guidelines. All contractors must be National Inspection Council for Electrical Installation Contracting (NICEIC) approved.
- 8.3 Disposal of all equipment must be compliant with Waste Electrical and Electronic Equipment (WEEE) Directive.

9. Human Resources Implications

- 9.1 Lighting levels will not change, but the colour rendering will be improved with a white light output.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 None

11 Equalities and Human Rights Implications

- 11.1 Reports have been produced highlighting the beneficial impact of LED lighting against fluorescent lighting stating 'Researchers maintain that individuals with autism are more vulnerable to the sub-visible flicker of direct fluorescent lighting, which can cause headaches, eyestrain and increased repetitive behaviour.' The National Autistic Society recommends reducing fluorescent lighting to reduce potential problems.

White light output is beneficial to people with visual impairments, however if complaints of difficulties are raised (as they have with the current lighting) solutions will be found on a case by case basis.

12. Implications for Partners and Other Directorates

- 12.1 This will have a positive effect on the Authority's Environmental performance by reducing electricity consumption, which will help achieve the 2% year on year reduction target on carbon emissions.

13. Risks and Mitigation

- 13.1 The replacement programme may take longer than estimated, due to the manufacture of the fitting taking longer or installation times increasing more than estimated. The risks will be mitigated through contract management processes.

14. Accountable Officer(s)

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:- Stuart Booth

Director of Legal Services:- Stuart Fletcher, Service Manager

Head of Procurement (if appropriate):- Helen Chambers, Senior Procurement Category Manager

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

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

Appendix A - Calculation - Riverside LED

Building Name	Riverside House																																																						
Project	LED Lighting Upgrade																																																						
Loan ID Code	14-013																																																						
SEERS Project No.																																																							
Description	LED Lighting upgrade of T5's and CFL with point to point replacements of fittings.																																																						
Information	<table border="1"> <tr> <td>Utility Acc</td> <td>Electricity</td> <td></td> <td></td> </tr> <tr> <td></td> <td>37841346</td> <td></td> <td></td> </tr> <tr> <td></td> <td>Rate</td> <td></td> <td></td> </tr> <tr> <td>Rate</td> <td>£0.08122</td> <td>£0.06820</td> <td></td> </tr> <tr> <td>Consumption</td> <td>3,172,069</td> <td>kWh</td> <td>Day</td> </tr> <tr> <td></td> <td>767,501</td> <td>kWh</td> <td>Night</td> </tr> <tr> <td>Total</td> <td>3,939,570</td> <td>kWh</td> <td>Total</td> </tr> <tr> <td></td> <td></td> <td>£0.05230</td> <td>Red 541,724</td> </tr> <tr> <td></td> <td></td> <td>£0.04780</td> <td>Amber 1,813,140</td> </tr> <tr> <td></td> <td></td> <td>£0.00270</td> <td>Green 1,584,619</td> </tr> <tr> <td></td> <td></td> <td>£119,279</td> <td>Total Cost GSP</td> </tr> <tr> <td>Co2 Factor</td> <td>0.43</td> <td>Electricity</td> <td></td> </tr> <tr> <td>Cost</td> <td>£429,258</td> <td>per Year</td> <td></td> </tr> </table>			Utility Acc	Electricity				37841346				Rate			Rate	£0.08122	£0.06820		Consumption	3,172,069	kWh	Day		767,501	kWh	Night	Total	3,939,570	kWh	Total			£0.05230	Red 541,724			£0.04780	Amber 1,813,140			£0.00270	Green 1,584,619			£119,279	Total Cost GSP	Co2 Factor	0.43	Electricity		Cost	£429,258	per Year	
Utility Acc	Electricity																																																						
	37841346																																																						
	Rate																																																						
Rate	£0.08122	£0.06820																																																					
Consumption	3,172,069	kWh	Day																																																				
	767,501	kWh	Night																																																				
Total	3,939,570	kWh	Total																																																				
		£0.05230	Red 541,724																																																				
		£0.04780	Amber 1,813,140																																																				
		£0.00270	Green 1,584,619																																																				
		£119,279	Total Cost GSP																																																				
Co2 Factor	0.43	Electricity																																																					
Cost	£429,258	per Year																																																					
Installation	<table border="1"> <tr> <td>Fittings</td> <td>£247,001.13</td> </tr> <tr> <td>Labour</td> <td>£47,156.67</td> </tr> <tr> <td>Contingency</td> <td>£14,707.89</td> </tr> <tr> <td>Fees</td> <td>£30,886.57</td> </tr> <tr> <td>Total</td> <td>£339,752.26</td> </tr> </table>			Fittings	£247,001.13	Labour	£47,156.67	Contingency	£14,707.89	Fees	£30,886.57	Total	£339,752.26																																										
Fittings	£247,001.13																																																						
Labour	£47,156.67																																																						
Contingency	£14,707.89																																																						
Fees	£30,886.57																																																						
Total	£339,752.26																																																						
Savings	<table border="1"> <tr> <td>Savings</td> <td>69%</td> <td><i>on</i></td> </tr> <tr> <td>Year</td> <td>543469</td> <td><i>Lighting</i></td> </tr> <tr> <td>Cost</td> <td>£68,097.60</td> <td>kWh</td> </tr> </table>			Savings	69%	<i>on</i>	Year	543469	<i>Lighting</i>	Cost	£68,097.60	kWh																																											
Savings	69%	<i>on</i>																																																					
Year	543469	<i>Lighting</i>																																																					
Cost	£68,097.60	kWh																																																					
Payback	5.0 Years																																																						
CO2 Saving	233691.8 kg Co2																																																						
Overall Reduction	126.6 %																																																						
New Estimated Consumption	3,396,101 kWh																																																						

Type	Length	Watts	Circuit Watts	No.	Total kW	Hours	kWh	Ave p/kWh	Cost
T5	2ft	96	105.6	1534	162.0	3000	485,971	12.530	£60,893.00
CFL	n/a	52	57.2	1756	100.4	3000	301,330	12.530	£37,757.10
				3,290	262.4		787,301		£98,650.10

Type	Length	Watts	Watts (inc losses)	No.	Total kW	Hours	kWh	p/kWh	Cost
LED Rhapsody	2x2ft	25	27.8	1534	42.6	3000	127,936	12.530	£16,030.54
LED Down lights	n/a	20	22	1756	38.6	3000	115,896	12.530	£14,521.96
				3,290.0	81.3		243,832		£30,552.51

kW 181.2 kWh 543,469 Save £68,097.60
69.03%

Appendix B - Loan Agreement (Repayments)

Financial Year	Estimated Energy Savings	Funding Sources		Annual Loan Repayments	Annual Revenue Saving
		£262,414 Prudential Borrowing	£77,338 LAEF		
2016/17	£34,049			£0	£34,049
2017/18	£68,097	£20,349	£51,073	£71,421	£-3,324
2018/19	£68,097	£20,349	£26,266	£46,614	£21,483
2019/20	£68,097	£20,349		£20,349	£47,748
2020/21	£68,097	£20,349		£20,349	£47,748
2021/22	£68,097	£20,349		£20,349	£47,748
2022/23	£68,097	£20,349		£20,349	£47,748
	£442,631	£122,091	£77,338	£199,429	£243,201

Est. Annual Saving **£68,097.00**

Based on current contract rates, these are set to rise and saving will be greater than projected.

Due to the install process taking 6-months to replace the fittings across the whole of the building savings will start to be realised from day one of the project, increasing to the full saving at the completion date.

These have not been taken into consideration as it is hard to quantify savings on a rolling install programme.

Summary Sheet

Council Report

Report to Cabinet, 11th April 2016
Cabinet Member: Councillor Yasseen
Decision to be taken by Commissioner Kenny

Title

Petition regarding the future of Rotherham Biological Records Centre.

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

No

Strategic Director Approving Submission of the Report

Caroline Bruce, Interim Strategic Director, Environment & Development Services

Report Author(s)

Philip Gill - Leisure and Green Spaces Manager
EDS / Streetpride
01709 822430
Philip.gill@rotherham.gov.uk

Ward(s) Affected

All

Summary

To report a petition containing 102 signatories expressing opposition to a proposal to cease hosting the Rotherham Biological Records Centre from April 2017.

Recommendations

It is recommended that Commissioner Kenny notes receipt of the petition and refers to officers for consideration as part of the proposals developed for 2017/18 and beyond

List of Appendices Included

Appendix A - Petition (excluding names)

Background Papers

None

Consideration by any other Council Committee, Scrutiny or Advisory Panel

None

Council Approval Required

No

Exempt from the Press and Public

No

Title : Petition regarding the future of Rotherham Biological Records Centre.

1. Recommendations

It is recommended that Commissioner Kenny notes receipt of the petition and refers to officers for consideration as part of the proposals developed for 2017/18 and beyond

2. Background

2.1 The Rotherham Biological Records Centre holds data about where animals and plants have been identified in different parts of the borough. The Council does not have a statutory duty to provide this service, although it does need to access information kept by the Centre, for example to inform the development of planning policy and assessment of planning applications. The data is also useful to support funding applications, inform site management plans, and for a number of other purposes.

2.2 The Centre has been hosted by the Council since the 1980's. However, a plan to cease this arrangement from April 2017 is amongst budget savings proposals currently under consideration.

2.3 A petition organised by the Yorkshire Naturalists Union and signed by 102 people opposed to the proposal was received by the Council on 10th February 2016.

2.4 The petition urges the Council to continue to support the Biological Records Centre, based on arguments that can be summarised as follows:-

- The Centre is something that Rotherham should be proud of, being regarded as a model of good practice nationally.
- The data within the centre is needed for the Council to fulfil its statutory planning function, and for a number of other purposes, and this will be put at risk if the Council no longer operated the Centre.
- The Council has invested in building up the Centre over 40 years, so loss of such a facility would not be fiscally responsible.
- The Centre operates very economically and efficiently thanks to the large volunteer input, and is an outstanding example of local community engagement.

3. Key Issues

3.1 The Council recognises the importance of the Centre and would prefer not to see it close. The proposal is for the Centre to continue to be funded throughout 2016-17, prior to the implementation of the saving in 2017-18, to allow sufficient time for proper investigation of options for future delivery of the service.

- 3.2 Options that deliver savings whilst minimising disruption to service users, volunteers, partner organisations and other stakeholders need to be given full consideration.

4. Options considered and recommended proposal

- 4.1 Options for the future delivery of the Biological Records Centre are yet to be fully explored, but are likely to include the following:
- Continued operation of the Centre by the Council, but with reduced net costs through increased income from commercial enquiries, and taking into account the value of enquiries from internal clients.
 - Transfer of the operation to a suitable external organisation.
- 4.2 A recommendation will be made after the available options have been investigated further and will be reported through the Council's budget setting process for 2017/18 and beyond.

5. Consultation

- 5.1 The petition arose during a month-long public consultation on the Council's savings proposals, ending on 12 February 2016.
- 5.2 Further consultation with relevant internal services, volunteers and other stakeholders will be undertaken as necessary during 2016 in order to inform the evaluation of options.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The department responsible for this service shall commence further investigation of options with immediate effect.
- 6.2 It is proposed that a preferred option will be identified by December 2016, to allow this to be implemented from April 2017 as part of the Council's budget setting.

7. Financial and Procurement Implications

- 7.1 The gross cost of running the Centre in 2015-16 is £19,357. Income from charges for commercial data requests in the same period is expected to be around £2,500.
- 7.2 Assessment of options for future delivery of the service will need to take into account the likely scale of any charges that would be payable by the Council to access information in future.

8. Legal Implications

- 8.1 The Council needs to access biological records data to comply with the National Planning Policy Framework 2015, Natural Environment and Rural Communities Act 2006 and Wildlife and Countryside Act 1981, in matters concerning Local Plan-making, planning decisions, management of protected species, and consideration of major developments that fall

within Environmental Impact Assessment regulations. If it does not give such evidence due consideration, then there is an increased risk of challenge through judicial review and appeals.

9. Human Resources Implications

9.1 The Biological Records Centre is currently staffed by a part-time officer (0.6 FTE), whose job would be at risk if the Council ceased delivering the service.

10. Implications for Children and Young People and Vulnerable Adults

10.1 This report has no implications for children or vulnerable adults.

11. Equalities and Human Rights Implications

11.1 This report has no equalities or human rights implications other than any relating to human resource issues.

12. Implications for Partners and Other Directorates

12.1 The Biological Records Centre provides essential information for the Planning Service, and is also used by other departments including Asset Management.

12.2 The Centre supplies information to the National Biodiversity Network who would therefore be affected by any reduction in service.

12.3 Rotherham and District Ornithological Society has entrusted all its records to the Biological Records Centre, and is therefore dependent on the future of the service for access to its data.

13. Risks and Mitigation

13.1 If it is not possible to identify a viable option for the long-term operation of the Biological Records Centre, then the network of volunteers and other partners upon which the Centre has been built may disperse, and will be difficult to reassemble.

14. Accountable Officer(s)

14.1 Philip Gill, Leisure and Green Spaces Manager

14.2 Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:- Jon Baggaley

Director of Legal Services:- Dermot Pearson

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

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

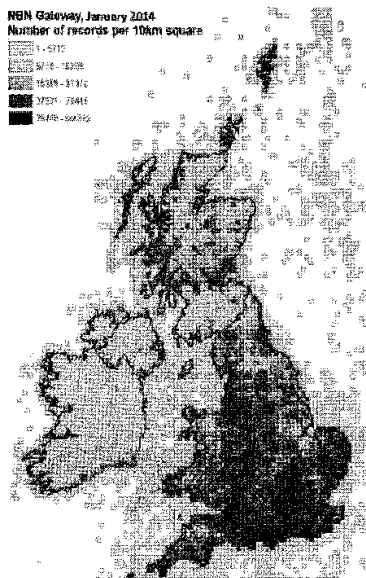
APPENDIX A - Petition (excluding names)

The future of Rotherham Biological Records Centre

In response to the potential closure of the Rotherham Biological Records Centre, we are writing to express our concerns and a series of issues that would arise from such a course of action.

Rotherham has received some bad publicity in recent years which has besmirched the town's name. However, Rotherham Metropolitan Borough Council should be proud that one of its services has established a reputation as a leading exponent in its sphere of activity and an example of good practice in Britain. In 1987 Rotherham's Biological Records Centre (BRC) instigated the development of a standardised computer program for biological recording and was one of the original test sites. Biological recorders from around the country gathered in Rotherham to work out the details and discuss progress with the Recorder program, which rapidly became the industry standard. When the UK Bioversity Action Plan (BAP) was being developed in the early 1990s the director of the Joint Nature Conservation Committee declared that Recorder was one of the main contributions to its success.

The Linnean Society set up the Co-ordinating Commission on Biological Recording (CCBR) in the early 1990s, chaired by Sir John Burnett, and it is a measure of the esteem in which Rotherham's BRC was held that Rotherham's Biological Records Officer was invited to sit on the CCBR as the representative of BRCs around the UK. The CCBR report led directly to the establishment of the National Biodiversity Network (NBN) in the mid-1990s, managed by the NBN Trust and principally funded by Her Majesty's Government. Rotherham BRC is an important contributor to the NBN, its 1.7 million wildlife records being part of the 100+ million records, which the NBN makes available online (in comparison, the holdings of Rotherham's BRC are three times greater than those of Sheffield BRC). The NBN Trust considers that Rotherham is probably the best recorded place for wildlife in the UK (see figure 1 below). Any individual can access data from the NBN website and those searching for information about Rotherham's wildlife will receive a better response than those searching almost any other part of the country. We feel that RMBC should be proud of the successes of Rotherham BRC and wish to continue to be a leader in this field.



Most records:
SK49 = 861,737

Fewest records
NB33 = 1,207

Figure 1: NBN Gateway records received in Britain, January 2014

Rotherham BRC was established when RMBC agreed to fund its development thirty years ago following the abolition of South Yorkshire County Council so that RMBC officers and Rotherham residents who needed biological data services would receive them. Rotherham BRC has fulfilled this purpose and these services are just as necessary today. The NBN Trust recognised the

contribution that Rotherham BRC has made by last year awarding Honorary Membership to Rotherham's retired Biological Records Officer. This is the second time that a Rotherham resident has been so honoured following a similar award two years earlier to Mr J.A.Newbould, a Rotherham native and staunch supporter of Rotherham BRC. Such recognition is clear evidence of the esteem in which the work of Rotherham's BRC is held in a national context.

RMBC's decision to develop its BRC was made because it saw the need for its services. If Rotherham BRC is closed or mothballed then this will have repercussions within and without the Council and it appears that these repercussions have not been given full consideration.

Rotherham Planning Authority is required by law to base its decisions on factual evidence. Rotherham BRC provides a significant part of the environmental evidence base which underlies the Planning Committee decisions. Without it RMBC will need to find an alternative source of information, otherwise any decision with environmental implications is liable to be challenged on the basis that RMBC is failing to meet its legislative obligations.

RMBC adopted a Local Biodiversity Action Plan (LBAP) several years ago. A key part of that plan is a series of designated Local Wildlife Sites (LWSs). The documentation which forms part of the Rotherham LBAP has tight time scales for these designations - in the case of breeding birds it is breeding records from an individual site from three of the last five years. Without Rotherham BRC these LWS designations will begin to fail very quickly. Has RMBC considered how it will update these designations in the continued absence of an Ecologist? Has RMBC considered how it will respond if a landowner challenges a LWS designation on the grounds that the records have passed their sell-by dates?

RMBC officers have an ongoing impact on Rotherham's countryside, managing three country parks and numerous Council-owned woodlands and countryside sites, while Rotherham's landscape team is planting trees, shrubs and 'wild flowers' around the Borough. Rotherham wishes to be seen to be having a positive impact on the natural environment, as well as being seen as a good example to local land managers, and for this it is necessary for its land managers to be able to monitor and assess their actions. Rotherham BRC provides a database of records from the sites owned and managed by RMBC, which allows this monitoring and assessment to take place. Without Rotherham BRC these managers will need to set up a separate recording system or risk being regarded as irresponsible and their actions unsustainable as they will not be able to monitor the results of their actions.

The UK Government's Sustainable Development Strategy (2011) highlights 'Protecting natural resources and enhancing the environment' as one of its four priority areas and has an ongoing commitment to factors around the natural environment as key features of its quality of life index. Rotherham's ability to measure the borough's progress against such goals relies in large part on the detailed records held in Rotherham BRC.

Rotherham BRC is an excellent example of a partnership between RMBC and the local community, to the advantage of both. The vast majority of Rotherham BRC's records have been contributed free of charge by this community for the benefit of Rotherham planners and managers. Rotherham residents are able to discharge their civic duties by informing RMBC of wildlife sightings that can be used for planning purposes, assessing land management and environmental protection, and Rotherham BRC provides a place where these sightings can be stored and integrated with others. Has RMBC considered how it will deal with these contributions and how it will respond to them without Rotherham BRC?

The 1.7 million records have been gathered together over a period of 40 years. Since RMBC formally approved the development of Rotherham BRC about £1million pounds of public money (RMBC and HMG) has been spent getting these records into a computer database that can be accessed immediately. It does not seem fiscally responsible to close a valued public facility that has seen this level of investment and is continuing to provide the services which are requested.

Rotherham BRC is an efficient and economical part of RMBC and an outstanding example of local community engagement with the Council. The local community provides expert voluntary assistance to the Biological Records Officer in addition to allowing the use of its records. RMBC funds its BRC for three days each week and the local community's input contributes an additional c. 1.5 days each week, increasing the output by 50%. Rotherham BRC provides an integrated data management facility for RMBC officers and local residents to use and its services are remarkably cost effective. We strongly believe that any outsourcing of such services to environmental consultancies would be more expensive and would almost certainly provide an inferior service.

We have some sympathy with the Green Spaces managers, who have tried to divest themselves of Rotherham BRC before. Rotherham BRC transferred to the predecessor of the Green Spaces team at a time when that predecessor was actively involved in managing the countryside sites owned by RMBC. The formation of the Green Spaces team saw a change of emphasis away from countryside management in favour of urban park management, and in this climate the services provided by Rotherham BRC are less valued. Green Spaces provides the facility but others are the primary beneficiaries. We suggest that RMBC canvasses opinion within its staff about the most satisfactory location for Rotherham BRC.

Rotherham BRC's data holdings could be used for additional benefit, particularly educational, but this will require additional resources, not less. Rotherham BRC contributed information about local wildlife on the RMBC website a decade ago and could do so again, tailoring its contributions to benefit individual schools and communities. Schools and colleges could decide what information they would like to be included and could develop the presentation around the BRC data, benefitting their students and the local community. Rotherham BRC is an asset that can deliver more benefit to Rotherham.

For the reasons outlined above, we, the undersigned, urge the officers of RMBC to recognise the national importance of the Rotherham BRC and to support it in its ongoing excellent work.

List of signatories.

John Bowers Chair Yorkshire Naturalists' Union (YNU). Johnbowers1081@gmail.com

A handwritten signature in black ink, appearing to read 'John Bowers', with a horizontal line underneath the name.

[The YNU comprises 40 affiliated Yorkshire Societies and about 400 individual members. It is a major provider of data to the Rotherham BRC and to the NBN Gateway]

Summary Sheet

**Council Report: Cabinet/Commissioner's Decision Making Meeting –
11th April, 2016**

**Title: Framework Agreement for Support Workers – Learning Disability
Services**

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)

Mick Moorhouse – Interim Strategic Commissioning Manager

Ward(s) Affected

ALL

Summary

This report describes a Commissioning process to establish a framework agreement that will have within it a list of accredited providers to provide support services over a four year period, as Supported Living Schemes are developed. The support provider will provide a service that reflects people's choices in a variety of supported living settings, such as:

- Individual Tenancies
- Small group settings
- Shared accommodation

This report seeks approval to commence the commissioning process for a framework agreement to supply a range of support services for people with a learning disability, who have been assessed as suitable for Supported Living.

The framework agreement would be for 2 years with an option to extend for a further two years one year at a time (2+1+1).

Recommendations

That Commissioners and Cabinet Members:

- 1.1 Receive the information covered in the report**
- 1.2 Approve a tender process to establish a framework agreement to supply a range of support services for people with a learning disability:**

List of Appendices Included

Background Papers

- Think Autism: Fulfilling and Rewarding Lives, the strategy for adults with autism
- Care Act 2014
- Valuing People(2001),
- Valuing People Now (2009)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

N/A

Council Approval Required

Yes

Exempt from the Press and Public

No

Title: Framework Agreement for Support Workers – Learning Disability Services

1. Recommendations

That Commissioners and Cabinet Members:

1.1 Receive the information covered in the report

1.2 Approve a tender process to establish a framework agreement to supply a range of support services for people with a learning disability:

2. Background

2.1 This report describes a Commissioning process to establish a framework agreement that will have within it a list of accredited providers to provide support services over a four year period, as Supported Living Schemes are developed. The support provider will provide a service that reflects people's choices.

They will work with service users to help them achieve their goals and develop independence. The commissioning process will stimulate market development and the value of the contracts although not quantifiable at this stage, has the potential to attract new providers to Rotherham Metropolitan Borough Council.

This report seeks approval to commence the commissioning process for a framework agreement to supply a range of support services for people with a learning disability:

- Who have been assessed as suitable for Supported Living
- Who wish to seek alternative forms of day care
- Who wish to seek alternatives to traditional respite care services
- Who may require support in their own homes

The framework agreement would be for 2 years with an option to extend for a further two years one year at a time (2+1+1).

Commissioner and Cabinet approval is required due to the expected value of the services which is in excess of £500,000 and the nature of the framework agreement

3. Key Issues

3.1 Adult Services is faced with a rising number of people with increasingly complex care needs. According to the Projecting Adult Service Needs Information (PANSI) and Projecting Older Peoples Population Needs (POPPI)

the number of adults aged 18 years to 85 years and over with a learning disability will increase from 4,800 in 2015 to 4,879 in 2020. The system for providing social care for adults is being transformed, so that the emphasis is on the individual's dignity, right to self-determination, choice, control and power over the support services they receive. Supported Living (supporting people to live in their own homes) is one of a number of options, offering the choice, control, independence, security and flexibility for those who choose this option. Supporting people in their own homes, will also require providing the necessary level of support to enable individuals to access alternative forms of respite and community based services.

- 3.2 Valuing People (2001), Valuing People Now (2009) and the Care Act (2014) state that people with a learning disability should have choice about where they live, who they live with, and how they are supported. As many people as possible, should be enabled to live in their own home with appropriate support.
- 3.3 Support will be provided through a support work agency and the support provided will be expected to enable people with learning disabilities, to develop their independence, realise their potential and over time, reduce their dependency on statutory support. The aim is to create opportunities for people with a learning disability to have the same experience as other citizens and to live and play a part in their local community. As such, providers will be expected to work closely with care managers to ensure the support levels reflect the assessed needs of the individual.
- 3.4 The support work agency will provide a service that reflects people's choices. They will work with individuals to help them to achieve their outcomes and develop independence. The tender process is designed to establish a framework of providers for a programmed development of supported living services and could attract new providers into Rotherham.
- 3.5 In 2016 21.4% of adults with a learning disability who currently receive a funded service from Adult Services, live in residential care. In order to facilitate choice, a range of alternative support models need to be developed. The current care market in Rotherham is dominated by residential care provision with 37 care homes with a capacity of 343 beds supporting people with Learning Disabilities. Whilst there is a relatively large domiciliary care market, there are only a few organisations with proven experience of delivering support to people with complex and/or challenging needs.

It is acknowledged that in order to offer choice to all individuals with a learning disability, the support worker market needs to be expanded and developed.

4. Options considered and recommended proposal

- 4.1 A framework agreement is a general term for agreements with providers, who have gone through a full tendering process. It sets out the terms and conditions under which specific purchases can be made.

4.2 The move to a Framework Agreement in the short term is likely to be cost neutral but, in the medium to long term is expected to deliver a range of benefits including better value for money.

4.3 It is envisaged that a diverse range of providers will sit under the framework agreement, which will result in a competitive care market environment.

The benefits of a framework are:

- Allows for flexible and responsive services, across service areas,
- Meets the needs of the individual – flexibly,
- Allows for innovation and creative response to assessed needs,
- Gives no guarantees regarding business volume,
- Mini competition process ensures competitive pricing and quality assurance.
- Can be used with an e-market place option – retaining commissioning control for individuals utilising personal budgets or the LA commission on their behalf,
- Gives flexibility to Rotherham MBC to manage the market and the risk,
- Reduces the requirement for repetitive tendering reducing administrative cost, approved services can be allocated without the need for tenders as and when need arises,
- Stimulates providers to give value for money, the LA can go to alternative providers if not.

4.4 There are two types of framework agreements.

Option 1. Call Offs - where the terms of the framework have providers services with clearly identified costs. Where the needs of the service users meet the clearly identified costs, then 'call offs' can be made without the need to reopen competition. Officers would make that decision.

Option2. Mini Competition - where the terms of the framework do not have providers services with specific costs attached. Providers are subject to a 'mini competition' where they need to demonstrate how they would meet individuals outcomes as identified through the support planning process and at what cost. Although difficult to quantify at this stage, there is the potential to achieve cost efficiencies.

Option 2 is the recommended option as a Mini Competition would involve service users, carers and relatives in the selection process, giving real choice and control.

5. Consultation

5.1 Tender documents will be advertised both locally and nationally to stimulate market interest and introduce new providers into Rotherham.

5.2 Providers will be subject to an open and transparent tendering process. Evaluation criteria will be designed and developed between operational and commissioning staff, providers and carers for tenders to be scored against.

Service users will be involved in key areas of the evaluation and interview stages. Those providers who are successful at the evaluation and interview stages will be placed onto the framework agreement.

- 5.3 The strategic plan is to move away from residential models of care to person centred and outcomes focused support in the person's own home. Support packages will be determined with the individual, or group of individuals and the framework will enable 'mini competitions' to be run to identify suitable service providers rather than going through a full tendering process. It is envisaged that service users will be an integral part of this process.
- 5.4 New and existing providers wanting to join the Framework Agreement will be able to do so through the open tender process. Once the Framework Agreement has been established, new providers into the market will not be eligible to join the Framework Agreement for the duration of the contract, which will be in place for 4 years. However, we expect a high degree of interest from providers as the framework will be advertised both locally and nationally. A number of provider events will be held to publicise the framework and enable dialogue with providers about future commissioning intentions and opportunities.
- 5.5 As part of the future arrangements and in consideration of future commissioning arrangements, a market consultation exercise will need to be undertaken with learning disability provider organisation about the following areas:
- Those service users who have been assessed as suitable for Supported Living
 - Those who wish to seek alternative forms of day care
 - Those who wish to seek alternatives to traditional respite care services
 - Those who require support in their own homes

6. Timetable and Accountability for Implementing this Decision

- 6.1 It is proposed that the application of the agreed option should commence from 30th September 2016.
- 6.2 It is proposed that a one stage tender process be undertaken and market engagement and soft market testing commence.

Tender Timetable 2016 (Approximate)

	Commence
Issue ITT	1 st May
Evaluation	7 June
Clarification	3 July
Select Providers	10 July
Due Diligence	1 August
Commissioner Approval	September
Establish Framework	September / October
Transition	September / October

7. Financial and Procurement Implications

- 7.1 Whilst some further financial analysis needs to be undertaken, the Framework will provide a clear and transparent maximum hourly rate ceiling. The Framework will assure a supply across the borough, with a consistent rate for core services.

8. Legal Implications

- 8.1 Rotherham MBC's compliance with the principles set out in Valuing People (2001), Valuing People Now (2009) and the requirements of the Care Act (2014) in that it promotes choice and control for service users, in determining their own support needs in the adult social care market.
- 8.2 Early involvement is required from Rotherham MBC Legal Services, to enable them to provide robust terms and conditions of service in a timely manner.

9. Human Resources Implications

- 9.1 This report seeks approval for an open procurement exercise, with formal access to suitable accommodation through an approved landlord, to offer supported living to this group of people. Financial savings are sought but these cannot be quantified at this point. A caveat is that some staff, employed by existing contractors, may retain employment rights through TUPE.
- 9.2 The Framework Agreement will provide new schemes for those people requiring accommodation that is non-residential based e.g. Young people through transitions and those people who transfer from residential care into Supported Living Schemes. TUPE will not be applicable and savings should be made when measured against high cost residential care placements.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 The recommendation will positively impact on vulnerable adults in that it will enable supported living schemes to be developed and provided within a planned and timely structure.

11 Equalities and Human Rights Implications

- 11.1 The recommendation in this report, if agreed will contribute to supporting commissioned organisations to meet the needs and requirements of those people who access those services.
- 11.2 Service user's personal choice and wishes as to who they would like to provide their personal care will be taken into account through the Framework Agreement

12. Implications for Partners and Other Directorates

- 12.1 Key partners and stakeholders will be consulted on the development of a sustainable supported living provision.

13. Risks and Mitigation

- 13.1 **Risk:** High quality providers will not tender for the service. By offering contracting opportunities over a four year period the Council is providing security for prospective providers and an opportunity to re-shape their business to meet the person centred approach. A nationwide advert will be placed and it is anticipated that this will stimulate interest among new providers which could enhance the local LD market.
- 13.2 **Risk:** Providers on the Framework will not meet the expectations of the service users. The interview process will seek to identify providers who have the structure, experience and desire to deliver services to this highly personalised model. Rotherham Metropolitan Borough Council will manage risk through adult protection, monitoring and safeguarding procedures.

14. Accountable Officer(s)

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:- Mark Scarrott

Director of Legal Services:- Ian Gledhill

Head of Procurement:- Helen Chambers

Mick Moorhouse, Interim Strategic Commissioning Manager

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

<http://modern.gov.rotherham.gov.uk/ieDocHome.aspx?Categories=>

Public Report with Exempt Appendices
Council Meeting

This report is not exempt from the Press and Public; however both appendices are exempt as they contain commercially sensitive information.

Appendix A and B are Exempt under paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972, as these appendices contain information relating to the financial or business affairs of any particular person (including the Council) with regard to the costings of a proposed contract.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information, as the enterprises' commercial interests could be prejudiced by disclosure of commercial information.

Cabinet, 11th April 2016

Improving customer service through the use of modern housing information management systems.

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

No

Strategic Director Approving Submission of the Report

Graeme Betts, Interim Strategic Director of Adult Care and Housing

Report Author(s)

Dave Richmond - Assistant Director of Housing, Asset Management and Neighbourhood Services

Ext 23402 dave.richmond@rotherham.gov.uk

Sue Shelley - IHMS Project Manager

Ext 22540 sue.shelley@rotherham.gov.uk

Ward(s) Affected

All

Executive Summary

This report seeks consideration and approval for proposed improvements to RMBC's Integrated Housing Management Systems (IHMS) which is currently under implementation. The IHMS project has already delivered significant improved

customer outcomes through the capture of all customer interactions in one place, enabling us to respond to customers' needs quickly and efficiently.

These enhancements will ensure the Housing departments IT systems include the latest advances in technology, providing real time interactions with our customers and suppliers, specifically in relation to Asset Management and Property Maintenance.

Recommendations

That Cabinet:

1. Endorse the proposed enhancements to the IHMS project implementation
2. Agree to additional spend of £139,315 from the £353,000 available Housing Revenue Account Capital Investment Programme budget.

List of Appendices Included

Appendix A – System development details

Appendix B – Cost summary out of contract requirements for repairs project phase dated 11th March 2016

Background Papers

Digital Council Strategy

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

This report is not exempt from the Press and Public; however both appendices are exempt as they contain commercially sensitive information.

Appendix A and B are Exempt under paragraph 3 of Part I of Schedule 12A of the Local Government Act 1972, as these appendices contain information relating to the financial or business affairs of any particular person (including the Council) with regard to the costings of a proposed contract.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information, as the enterprises' commercial interests could be prejudiced by disclosure of commercial information.

Improving customer service through the use of modern information housing management systems.

1. Recommendations

That Cabinet

- 1.1 Endorse the proposed enhancements to the IHMS project implementation.
- 1.3 Agree to spend of £139,315 from the £353,000 available Housing Revenue Account Capital Investment Programme budget.

2. Background

- 2.1 In the spring of 2011 RBT (Rotherham Brought Together - the partnership between RMBC and British Telecommunications Plc) undertook on behalf of RMBC a procurement exercise for a new integrated housing management system. This new I.T. system was required to replace 7 existing systems some of which were nearing obsolescence and approaching the end of the period in which the original contract supplier would provide maintenance support.
- 2.2 Approval to purchase Civica Universal Housing (UH) was subsequently secured with an agreed capital budget of £860,000.
- 2.3 The project brief was to replace a number of separate management systems including the Housing Management System Northgate (OHMS), Repairs ordering system (ROCC), Asset Management System (APEX) and Athena (In house developed CRM) in addition to a number of bespoke systems. The Integrated Housing Management System (Civica UH) would then replace these separate systems and would manage the £32 million repairs contracts and £84 million of Housing Income collection.
- 2.4 The Housing service generates over 80,000 repairs and servicing transactions in relation to gas serving, responsive repairs, electrical testing each year and the proposed system enhancements will improve the customer experience and provide greater business efficiency. This will be achieved through the integration of information at the first point of customer contact, with appointments being made directly into the contractor systems.
- 2.5 The successful supplier for the Integrated Housing Management System project was Civica UK with their social housing management system, Civica Universal Housing (UH). The procurement exercise was led by RBT with the preferred supplier being identified in October 2011. At the same time the decision to conclude the partnership with BT was taken with the consequence that the contract secured under the BT framework was then novated to RMBC in December 2011. The agreed contract provided the Civica UH blueprint model; this was seen as providing business requirements with some development by the business and RMBC IT.

- 2.6 In implementing Civica UH it is clear that the blueprint primarily provides a skeleton on which to further enhance the body of a housing management system. This has required significant time and resource to develop in line with Rotherham's requirements.
- 2.7 To meet business requirements in the implementation of phase 1, it was agreed not to accept the limitations of the initial system specification, but to remain focussed on achieving better outcomes for customers. For example; bespoke payment cascade functionality was developed to enable the system to cascade one payment across all customer accounts, the alternative was for customers to have to undertake separate transactions for each element of their account.
- 2.8 Throughout phase 1 of the IHMS project, business requirements were reviewed to take account of technological advancements during the implementation period; this resulted in additional enhancements being identified, these are further demonstrated in Appendix A.
- 2.9 Enhancing the system has enabled RMBC to maintain integrity with the initial project brief, which was to develop an integrated system meeting the full current and future business requirements, whilst improving the customer experience. With senior business colleagues being fully involved in the decisions the project has been able to build in business efficiencies with some major changes to current operations, for example, the decision to use the contractors appointment systems and their agreement to provide this at no cost to RMBC will produce an identified saving of £138,000 to the council.

3. Key Issues

- 3.1 The implementation of the Integrated Housing Management System has been an iterative process due to the size and complexity of the service areas that it encompasses. As a result, the requirements of the system have evolved from the original design solution document, resulting in a number of "out of contract" requirements being identified. These are set out in Appendix A.
- 3.2 These requirements were identified as an outcome from workshops held with contract partners and business colleagues from across the housing department and have been reviewed in detail with the supplier, Civica UK.
- 3.3 The proposed changes provide a real opportunity to build a system that greatly improves the customer experience through real time interactions, increased transparency of information and greater efficiency of interactions with our contract partners, providing greater business intelligence.
- 3.4 The initial project specification provided for information to be sent across system interfaces by method of File Transfer Protocol (FTP) whereby information would be sent and received in a flat file format. This would not be in real time and would result in delays of information transfer. However recent developments in I.T. now allow a practical transfer of data through

web based services. Both the Keystone API and “Webservices” described in Appendix A, replace this outdated method by enabling a live transfer of data, seamlessly transferring information between systems in a live environment.

- 3.5 By fully integrating with the contractors’ appointment systems, RMBC will provide increased customer choice and flexibility, whilst improving productivity for our contract partners’ repairs operatives with a potential increase in shared savings from the partnership as a result of the associated costs savings.
- 3.6 By enabling system generated alerts, we can ensure that at the first point of customer contact, business critical alerts in relation to hazards (i.e. Asbestos) Contact Alerts (such as potentially violent customer, disabled customer etc.), and other property related alerts, are all immediately available to RMBC staff and contractors.

4. Options considered and recommended proposal

- 4.1 Detailed consideration has been given to not investing in these enhancements, however, the benefit to customers in terms of improved access to services and the likely efficiency savings that will come from increased productivity of the repairs workforce, through real time information, makes these enhancements an extremely desirable option if we are to have an efficient effective and seamless system which enables levels of customer service that are now common place in commercial operations.
- 4.2 If we were not to proceed with these system enhancements, the service would continue to operate, but the customer experience would not reach its full potential and efficiency savings through the shared savings mechanism within the repairs and maintenance contracts may not be realised.
- 4.3 The recommended proposal is to proceed with the implementation including these system enhancements.

5. Consultation

- 5.1 Extensive consultation has been undertaken with departmental staff, IT colleagues, suppliers and delivery partners to identify these system developments.

6. Timetable and Accountability for Implementing this Decision

- 6.1 A decision on this issue is required now if the planned timescale for implementation of Phase 2 IHMS is to remain on schedule. However the timescale for implementation is dependent upon Civica undertaking these system developments immediately to meet the planned project go live date of 19th July 2016.

7. Financial and Procurement Implications

- 7.1 The Assistant Director of Housing, Asset Management and Neighbourhood Services has sought advice from Finance colleagues who consider these enhancements to be exempt from Standing Orders on Tendering as these adjustments fall within the original tender.
- 7.2 The one-off costs associated with this proposal equate to £139,315 whilst an annual cost of £5,400 is applicable, should this report be approved.
- 7.3 The IHMS HRA Capital Investment budget for 2016-2017 is £353k and the proposed expenditure is therefore within budget.
- 7.4 Annual licence and maintenance costs are provided for by HRA revenue budgets.

8. Legal Implications

- 8.1 None

9. Human Resources Implications

- 9.1 None

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 None

11. Equalities and Human Rights Implications

- 11.1 None

12. Implications for Partners and Other Directorates

- 12.1 The proposed system enhancements have been agreed with our contract partners as being required to further enhance our customer offer, whilst improving operational efficiency.

13. Risks and Mitigation

- 13.1 The primary risk is associated with a reduced level of integration if we did not apply these system enhancements.
- 13.2 The detailed review of system functionality and business requirements has identified the criticality of these developments to achieve a system that can deliver our aspirational level of customer satisfaction.

14. Accountable Officer(s)

Dave Richmond - Assistant Director of Housing, Asset Management and Neighbourhood Services

Ext 23402 dave.richmond@rotherham.gov.uk

Sue Shelley - IHMS Project Manager

Ext 22540 sue.shelley@rotherham.gov.uk

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:- Kath Oakes

Director of Legal Services:- Ian Gledhill

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Rotherham Borough Council**Cabinet/Commissioners' Decision Making Meeting –
11th February, 2016**

Take notice, in accordance with Regulation 10 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, that the following key decision is to be considered at the meeting without having provided the required 28 days' notice:-

- Request for Exemption from Contract Standing Orders to Continue and Extend the Children's Centre Contracted Provision at The Arnold Centre, Aughton Early Years and Rawmarsh Children's Centre

This report is presented to seek an exemption under Standing Order 38 from the provisions of Standing Order 48, to enable the extension of the three Children's Centre contracts for a further two years pending a full review of Early Help in 2017/2018.

The Chair of the Overview and Scrutiny Management Board has been informed and is in agreement with the presentation of the report.

**Dermot Pearson,
Assistant Director of Legal Services.**

1st April, 2016