



CABINET AND COMMISSIONERS' DECISION MAKING MEETING

Monday, 13 February 2017

10.00 a.m.

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

Cabinet Members:-

Leader of the Council
Deputy Leader of the Council
Adult Social Care and Health Portfolio
Corporate Services and Finance Portfolio
Housing Portfolio
Jobs and the Local Economy Portfolio
Neighbourhood Working & Cultural Services Portfolio
Waste, Roads and Community Safety Portfolio

Councillor Chris Read
Councillor Gordon Watson
Councillor David Roche
Councillor Saghir Alam
Councillor Dominic Beck
Councillor Denise Lelliott
Councillor Taiba Yasseen
Councillor Emma Hoddinott

Commissioners:-

Lead Commissioner Sir Derek Myers
Commissioner Patricia Bradwell
Commissioner Julie Kenny
Commissioner Mary Ney

CABINET AND COMMISSIONERS' DECISION MAKING MEETING

Date: Monday, 13th February 2017 at 10.00 a.m.

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

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.

3. Questions from Members of the Public.

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

4. Minutes of the previous meeting held on 9 January 2017 (Pages 1 - 16)

To receive the record of proceedings of the Cabinet and Commissioners' Decision Making Meeting held on 9 January 2017.

5. Exclusion of the Press and Public

Agenda Item 20 contains exempt information relating to the financial or business affairs of any particular person (including that authority holding that information).

Agenda Items 6 and 14 include appendices containing exempt information relating to the financial or business affairs of any particular person (including the authority holding that information).

If consideration of exempt information is necessary, the Chair will 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.

DECISIONS FOR COMMISSIONER KENNY

6. Approval of Tender for the Construction of a Two Classroom Block and Alterations to the Main School Building at Laughton Junior and Infant School (Pages 17 - 23)

Report of the Strategic Director of Regeneration and Environment

Cabinet Member: Councillor Lelliott (in advisory role)

Commissioner: Kenny

Recommendation:-

That the tender submitted by O & P Construction Ltd for the completion of the alteration works and provision of a new classroom block at Laughton Junior and infant school be accepted.

7. Corporate Property/ Asset Management Healthcheck (Pages 24 - 37)

Report of the Strategic Director of Regeneration and Environment

Cabinet Member: Councillor Lelliott (in advisory role)

Commissioner: Kenny

Recommendations:

1. That the health check provided by CIPFA is agreed along with the action plan provided in Appendix 1.
2. That the recommendations and action plan be implemented and implementation be overseen by the establishment of a Corporate Property and Asset Management Board.
3. That Cabinet receives quarterly update reports on the progress of the implementation of the action plan.

8. Rationalisation of the Property Portfolio: Green Space on Roughwood Road, Wingfield (Greasbrough Youth Football Club) (Pages 38 - 45)
Report of the Strategic Director of Regeneration and Environment

Cabinet Member: Councillor Lelliott (in advisory role)
Commissioner: Kenny

Recommendations:

1. That a section of land at the Roughwood Road Playing Fields be leased to Greasbrough Youth Football Club (GYFC) for a period of 25 years, excluding any break clause in order to facilitate GYFC's access to external funding.
2. That the Assistant Director of Planning, Regeneration and Transport be authorised to negotiate the terms of the lease and the Assistant Director of Legal Services be authorised to complete the necessary documentation.

DECISIONS FOR COMMISSIONER MYERS

9. In House Residential Care Charges 2017-18 (Pages 46 - 52)
Report of the Strategic Director of Adult Care and Housing

Cabinet Member: Councillor Roche (in advisory role)
Commissioner: Myers

Recommendations:

1. That approval be given to an increase of 2.5% to the weekly maximum charge for In-House residential care for the Older People for 2017/18.
2. That approval be given to a reduction in charges for Learning Disabilities in-house residential and respite provision for 2017/18 as shown in Appendix A.

10. Annual Inflationary Uplift Award Independent Sector Care Homes (Older People) (Pages 53 - 61)
Report of the Strategic Director of Adult Care and Housing

Cabinet Member: Councillor Roche (in advisory role)
Commissioner: Myers

Recommendations:

That approval be given to the preferred Option 2, which constitutes a 3.5% increase to be applied to the Residential, Residential Elderly Mentally Infirm and the Nursing care fee component and a 0% increase to be applied to Nursing Elderly Mentally Infirm care fee component.

11. 2016/17 Corporate Plan - Quarter 3 Performance Report (Pages 62 - 149)
Report of the Assistant Chief Executive

Cabinet Member: Councillor Alam (in advisory role)
Commissioner: Myers

Recommendations:

1. That the overall position and direction of travel in relation to performance be noted
2. That discussion be given to measures which have not progressed in accordance with the target set and the actions required to improve performance, including future performance clinics
3. That the future performance reporting timetable for 2016/17 be noted.

DECISIONS FOR CABINET

12. Budget & Council Tax 2017-18 (Pages 150 - 287)
Report of the Strategic Director of Finance and Customer Services

Cabinet Member: Councillor Read
Commissioner: Myers (in advisory role)

Recommendations:

That Cabinet recommend to Council:

- Approval of the Budget and Financial Strategy for 2017/18 as set out in the report and appendices, including the need to deliver £24m of budget savings and a basic Council Tax increase of 1.99%.
- Approval of the Government's proposals for the maximum Adult Social Care precept of 3% on Council Tax for 2017/18 to fund additional costs and investment in Adult Social Care Services.
- Approval that the precept figures from South Yorkshire Police Authority, South Yorkshire Fire and Rescue Authority and the various Parish Councils within the Borough be incorporated, when known, into the recommendation to the Council on 8th March 2017.
- That an updated Medium Term Financial Strategy (MTFS) is brought back to Cabinet in 2017/18 after the accounts for 2016/17 have been closed.

- Approval of the proposed use of reserves as set out in Section 3.5, noting that there may be a variation subject to the Final Local Government Finance Settlement and that the final determination will be approved as part of reporting the outturn for 2016/17.
- Approval that any changes resulting from the Final Local Government Finance Settlement be reflected in the Budget report to Council on 8th March with the balance of any change being reflected in a change in the required use of reserves.
- That it notes and accepts the comments and advice of the Strategic Director of Finance and Customer Services (Section 151 Officer), provided in compliance with Section 25 of the Local Government Act 2003, as to the robustness of the estimates included in the Budget and the adequacy of reserves for which the Budget provides (Section 3.9).
- That it notes the consultation feedback from the public and partners following publication of Directorate budget savings proposals on the Council's website for public comment from 1st December 2016 to 3rd January 2017 (Section 5).
- Approval of the use of in-year Capital Receipts to maximise capitalisation opportunities arising from service reconfiguration to deliver efficiencies and improved outcomes for clients and residents, and thereby minimise the impact of costs on the revenue budget as included in the Flexible use of Capital Receipts Strategy 2017/18 (Appendix 5).
- Approval of the proposed Capital Strategy as presented in Section 3.7 and Appendix 3A and 3B, to a value of £280.240m. This requires prudential borrowing of £49.636m to fund non-HRA schemes over the five year period, for which provision has been made in the revenue budget for the associated financing costs.
- That the approved Capital Strategy budget be managed in line with the following key principles:
 - i. Any underspends on the existing approved Capital Programme in respect of 2016/17 be rolled forward into future years, subject to an individual review of each carry forward by the Strategic Capital Investment Group.
 - ii. In line with Financial Regulation 13.8, any successful grant applications in respect of capital projects will be added to the Council's approved Capital Programme. This will include projects that are included within the Development Pool, where funding has yet to be identified.

- iii. Capitalisation opportunities and capital receipts flexibilities will be maximised, with capital receipts earmarked to minimise revenue costs.
- Approval of the prudential indicators and limits for 2017/18 to 2019/20 contained in this report. (Appendix 4 – Section 3.1 – 3.4)
- Approval of the Minimum Revenue Provision Policy Statement which sets out the Council's policy (Appendix 4 – Annex A).
- Approval of the Treasury Management Strategy for 2017/18 to 2019/20 and the Authorised Limit Prudential Indicator (Appendix 4 – Section 3.5); and,
- Approval of the Investment Strategy for 2017/18 to 2019/20 (Appendix 4 – Section 3.5.5).

13. Crisis support (local welfare provision) (Pages 288 - 299)

Report of the Assistant Chief Executive

Cabinet Member: Councillor Read
 Commissioner: Kenny (in advisory role)

Recommendations:

1. That, pursuant to Standing Order 46 (contracts not requiring tendering / value below £50,000) on the grounds that the conditions in Standing Order 47 are met, a contract be awarded in the value of £30,000 for 2017/18 to FareShare Yorkshire Limited for the provision of ambient food to Rotherham Community Food Members, on the same terms as the current contract.
2. That, pursuant to Standing Order 38 (Exemptions), Standing Order 48 (contracts valued at £50,000 or more) be waived with regard to the provision of crisis loans to be administered by LASER Credit Union for the financial year ended 31st March 2018, and that a contract be awarded in the value of £60,000 on the same terms as the current service level agreement and same eligibility criteria for access to loans.
3. That further work be undertaken to regularise the referral pathways for crisis loans, ensuring that people meet the eligibility criteria before referral to LASER Credit Union.
4. That £10,000 be awarded to Voluntary Action Rotherham for support and co-ordination of the wider Food in Crisis Partnership to enable partnership work across crisis food provision, including the continuation of small grant awards.

14. Devolution Update (Pages 300 - 305)

Report of the Strategic Director of Finance and Customer Services

Cabinet Member: Councillor Read
Commissioner: Kenny (in advisory role)

Recommendation:

That Cabinet note the current position on implementation of the Sheffield City Region Devolution Deal.

15. December Financial Monitoring Report 2016-17 (Pages 306 - 334)

Report of the Strategic Director of Finance and Customer Services

Cabinet Member: Councillor Alam
Commissioner: Myers (in advisory role)

Recommendations:

That Cabinet:

- Notes the current 2016/17 forecast overspend of £343k after management actions, use of in-year capital receipts, capitalisation of highways spend and the allocation of additional in year budget. (Paragraph 3.1)
- Notes and endorses the specific actions being implemented to challenge planned spend between now and the end of March to reduce the forecast overspend and minimise the call on reserves. (Paragraph 2.7)
- Recommend any additional actions which could be implemented to help manage down the current forecast overspend.
- Notes that a detailed Dedicated Schools Grant (DSG) High Needs Sufficiency Strategy and Financial Plan to address the remaining deficit and future level of service provision will now be discussed and consulted upon at the 8th March 2017 Schools Forum meeting. (Paragraph 3.14)

16. Annual Re-applications for Business Discretionary Rate Relief (Pages 335 - 351)

Report of the Strategic Director of Finance and Customer Services

Cabinet Member: Councillor Alam
Commissioner: Myers (in advisory role)

Recommendations:

That the applications for discretionary business rate relief for the organisations listed in Appendix 1 of this report and in accordance with the details set out in Section 7 to this report be approved for one year only.

17. Amendments to the Housing Allocations Policy (Pages 352 - 381)

Report of the Strategic Director of Adult Care and Housing

Cabinet Member: Councillor Beck
Commissioner: Myers (in advisory role)

Recommendations:

That the changes to the Allocation Policy be approved to commence on 1 May 2017 as follows:

1. Mandatory requirement for applicants who have no experience of running their own home, or where a previous tenancy has failed, to attend a pre-tenancy workshop.
2. Mandatory requirement for all applicants to undertake a housing options interview before joining the housing register.
3. New tenants should not be allowed to apply to transfer within the first twelve months of their tenancy. However, it is recommended that Housing Assessment Panel have delegated powers to overrule this policy for individual cases where there are exceptional circumstances.
4. No rent allowances are issued to new tenants or existing Council tenants. However the Housing Options Manager, and the Housing Advice and Assessment Manager have delegated powers to overrule this policy for vulnerable applicants where there is a justification for more time to move into a property.
5. Bedsits are let to single people or couples giving preference to single people under the age of 35.
6. Include homeless applicants owed a reasonable preference to the list of applicants who are exempt from the Local Connection Criteria rules.

18. Allotment Rents 2018-19 (Pages 382 - 389)

Report of the Strategic Director of Regeneration and Environment

Cabinet Member: Councillor Hoddinott
Commissioner: Kenny (in advisory role)

Recommendations:

1. That allotment rents for the 2018-19 financial year be set at levels shown in Appendix 1 (Option 2).
2. That officers in Leisure and Green Spaces write to existing allotment tenants to advise them of the new rents, at least 12 months in advance of their introduction on 1st April 2018.

19. Proposal to permanently remove Public Phone Boxes in the Borough (Pages 390 - 400)

Report of the Strategic Director of Regeneration and Environment

Cabinet Member: Councillor Lelliott
Commissioner: Kenny (in advisory role)

Recommendation:

That approval be given to the closure of public phone boxes in the Borough and a veto be exercised where an objection has been detailed in Appendix 1.

20. The Rotherham Compact (Pages 401 - 435)

Report of the Assistant Chief Executive

Cabinet Member: Councillor Yasseen
Commissioner: Kenny (in advisory role)

Recommendations:

1. That the work completed to refresh the Rotherham Compact, including feedback from the consultation exercise, be noted.
2. That the Rotherham Compact be endorsed.
3. That the intention to launch the Rotherham Compact, subject to endorsement by all public sector partners, on 29 March 2017 be noted.

DECISION FOR COMMISSIONER MYERS

21. Annual Inflationary Uplift Award Independent Sector Home Care Services (Pages 436 - 445)

Report of the Strategic Director of Adult Care and Housing

Cabinet Member: Councillor Roche (in advisory role)

Commissioner: Myers

Recommendation:

That approval be given to Option 3 (set out in section 7.1) of an annual inflationary uplift of 6% on the two lowest existing hourly rates, a 3.92% increase on all other existing hourly rates; and a 3.92% inflationary uplift to the night visiting contract value from 6 April 2017-18.

A handwritten signature in black ink, reading "Sharon Kemp." The signature is written in a cursive, flowing style.

SHARON KEMP,
Chief Executive.

**CABINET/COMMISSIONERS'
DECISION MAKING MEETING
Monday, 9th January, 2017**

Present:- Councillor Read (in the Chair); Commissioner Sir Derek Myers, Commissioner Julie Kenny, Councillors Alam, Beck, Hoddinott, Lelliott, Roche and Watson.

Apologies for absence were received from Commissioner Bradwell, Commissioner Ney and Councillor Yasseen.

143. DECLARATIONS OF INTEREST.

Councillor Beck declared a personal interest at Minute No. 151 (Proposal to increase capacity at Wales High School) on the grounds of being a School Governor. He remained in the room, but did not speak on this item.

144. QUESTIONS FROM MEMBERS OF THE PUBLIC

(1) A member of the public again referred to his questions at previous meetings relating to the absence of correspondence following the seeking of advice from the Council's Legal Officer and Civil Servants around the protocols for non-abidance with the Council's Constitution and Statutory Instrument.

A letter dated the 15th December, 2016, had been received, which was quoted from, which again referred to the seeking of advice without any formal confirmation documentation in any format and which, therefore, could not be verified as accurate.

On this basis the dates of when advice had been sought was requested.

Commissioner Sir Derek Myers confirmed no such information was available and had it been would already have been provided. The seeking of advice had been obtained during the implementation stages of intervention when it was determined that Commissioners were not bound by the same legislation as Councillors. This was also confirmed in a letter from Civil Servants, a copy of which had been provided to the member of the public.

In a supplementary comment the member of the public accepted that the legislation did not apply, but was unable to accept whether the information provided by the Commissioner was correct when no hard evidence to substantiate this could be provided.

(2) A member of the public referred to a previous question relating to the statement made by the Chairman of the Planning Board at the Council Meeting held on 7th December, 2016, and the recent letter sent by the

Leader dated 21st December, 2016, indicating a wilful interpretation of the Inspector's report.

Reference was made to the Inspector's report which was set out into four distinct areas and the Chairman of the Planning Board had misinterpreted this referring to the decision in the final paragraph when in fact it was also set out in the first.

He asked why was the Leader failing to deal with Councillors who told lies and, therefore, misleading the Council.

Councillor Read, Leader of the Council, was of the view that the Chairman of the Planning Board gave a summary of the reasons by the Planning Inspector and having looked at this further it would appear a flavour of the outcome was presented with no deliberate attempt to mislead.

In a supplementary question the member of the public believed the benefit of the doubt was being given to the Chairman of the Planning Board when in fact the reason for the application being dismissed was based on no very special circumstances being demonstrated to warrant development in the Green Belt.

Councillor Read, Leader of the Council, had given his view and had, as promised, responded in writing prior to Christmas. He advised that should the member of the public be so wished to make a complaint he could do so via the Standards and Ethics Committee.

145. MINUTES OF THE PREVIOUS MEETING HELD ON 12 DECEMBER 2016

Resolved:- That the minutes of the Cabinet and Commissioners' Decision Making Meeting held on 12th December, 2016 be agreed as a true and correct record of the proceedings.

146. PURCHASE OF THE ADVANCED MANUFACTURING PARK TECHNOLOGY CENTRE (AMPTC)

Consideration was given to a report which sought approval for the Council to purchase the Advanced Manufacturing Park Technology Centre (AMPTC) using Sheffield City Region (SCR) capital funding, subject to a satisfactory valuation of the building and securing the funding.

Purchase of the Advanced Manufacturing Park Technology Centre using Sheffield City Region capital funding would retain it within the public sector in Sheffield City Region, without putting the Council at the financial risk of using their own funding.

Commissioner Kenny agreed:-

1. That the Council purchase the AMPTC, subject to securing funding

for the purchase from the Sheffield City Region and undertake the necessary due diligence regarding the financial viability of the AMPTC and the legal and taxation implications arising from its purchase.

2. That the Assistant Director of Legal Services be authorised to negotiate and complete the necessary legal documentation to purchase the building and any grant documentation required by SCR.
3. That it be noted that any operating surplus generated by the AMPTC may have conditions placed on it via the SCR funding agreement and that, subject to the purchase being agreed, an amendment to the Capital Programme will need to be made by Council in due course.

147. APPLICATION TO INTRODUCE A PERMANENT MARKET AT THE OLD TOWN HALL

Consideration was given to a report which detailed a proposal from FCFM Group Ltd (FCFM) to operate a permanent market within the Old Town Hall.

The proposal would be likely to benefit the Old Town Hall, but with the risk that this would be at the expense of the Centenary Market Hall and could lead to some displacement. The proposal would not generate any income to the market that could be used to help mitigate this risk.

The proposal from FCFM would require an agreement to waive the licence fee due which was outside the delegated authority given to officers under the Market Franchise Rights Policy.

The importance of developing the town centre was emphasised and, therefore, it was suggested that further dialogue take place with FCFM to discuss a way forward.

Commissioner Kenny agreed:- That the application from FCFM to operate a permanent market within the Old Town Hall be refused.

148. CARING TOGETHER - THE ROTHERHAM CARERS' STRATEGY

Consideration was given to a report which set out the intentions and actions necessary to support Carers and Young Carers in Rotherham in the *Caring Together, the Rotherham's Carers' Strategy*.

This partnership strategy's ambition was to build a stronger collaboration between Carers and other partners in Rotherham and formally start to recognise the importance of whole family relationships. The strategy laid down the foundations for achieving these partnerships and set the intention for future working arrangements. It aimed to make a difference

in the short term and start the journey towards stronger partnerships across formal services, people who used services and their Carers.

The strategy recognised that Carers formed an essential part of the overall health and social care offer within Rotherham and should have a voice in how they were supported. The strategy identified desired outcomes which have been developed with Carers:-

- **Outcome One:** Carers in Rotherham are more able to withstand or recover quickly from difficult conditions and feel empowered.
- **Outcome Two:** The caring role is manageable and sustainable
- **Outcome Three:** Carers in Rotherham have their needs understood and their well-being promoted
- **Outcome Four:** Families with young Carers are consistently identified early in Rotherham to prevent problems from occurring and getting worse and that there is shared responsibility across partners for this early identification.
- **Outcome Five:** Our children are recognised and safeguarded in their challenging role and receive appropriate intervention and support at the right time.
- **Outcome Six:** Children and young people in Rotherham that have young carer roles have access to and experience the same outcomes as their peers.

These outcomes would feed into a delivery plan which would be a live document supported by the Caring Together Delivery Group.

Caring Together, seen as a key priority, had been co-produced between Adult Services, Children's Services, Customer Services, Rotherham Carers, including Young Carers, the Voluntary Sector, RDaSH and the Rotherham Clinical Commissioning Group. Input from the Rotherham Foundation Trust would be incorporated prior to sign off by the Health and Wellbeing Board.

Cabinet Members welcomed the development of the outcomes, which included input from young carers and information was provided on how the needs would be assessed and support for young carers would be addressed.

Commissioner Myers agreed:- That, subject to wording adjustments agreed with the responsible Cabinet Member, the *Caring Together, the Rotherham Carers' Strategy 2016-2021* be endorsed for partnership approval at the Health and Wellbeing Board.

149. **ENHANCED ENVIRONMENTAL CRIME AND PARKING ENFORCEMENT**

Pursuant to Minute No. 68 of the meeting of the Cabinet and Commissioners held on 12th September, 2016, consideration was given to a further report detailing future options for enhanced environmental

enforcement.

The report described the Council's desire to strengthen enforcement activity around environmental crime issues such as littering, dog fouling and fly-tipping, which was detrimental to all neighbourhoods and of concern to local residents. It was, therefore, proposed to increase enforcement activity with a time for action approach and a more robust response.

Three options were submitted for consideration and were outlined in this report. Option 3 was recommended for approval to progress discussions with Doncaster Metropolitan Borough Council to develop a shared service provision for twelve months, utilising their existing contract with an external provider, with an initial evaluation after three and six months after the contract had been rolled out.

This period of review was endorsed by the Overview and Scrutiny Management Board following consideration of this report, where they were satisfied with the proposal as long as this contributed to the borough becoming safer and cleaner and the dispute resolution on fixed penalty notices remained with the Council

It was anticipated that, subject to successfully discussions with Doncaster, the trialled shared service would be in operation for the start of the financial year on the 1st April, 2017 across the borough to tackle these issues and add value and enhancement as it also included car parking enforcement.

Commissioner Myers agreed:- That discussions with Doncaster Metropolitan Borough Council be commenced to explore the options and feasibility of a shared service, utilising their existing contract with an external provider, to deliver enhanced environmental crime and parking enforcement within Rotherham on the basis of a twelve month pilot (with an initial evaluation after 6 months), subject to the satisfaction of the relevant Commissioner and Cabinet Member.

(Following publication of the agenda the Commissioners' Office took the view that this item should be determined by Commissioners, rather than Cabinet. This item was, therefore, moved up to the relevant point on the agenda.)

150. CHILDCARE SUFFICIENCY REPORT 2016-17

Consideration was given to a report which detailed the Local Authority's statutory duty under the Childcare Act (2006 and 2016) to secure sufficient childcare, so far as was reasonably practicable, for working parents, or parents who were studying or training for employment, for children aged 0-14 (or up to 18 for disabled children).

Statutory guidance included a requirement to report annually to Elected Members on how the Local Authority was meeting the duty to secure sufficient childcare, and make this report available and accessible to parents.

The Childcare Sufficiency Report 2016-17 was based on the capture of data from childcare providers in June/July 2016 as this was the point in the year when take-up levels were highest and to look at how existing and potential childcare providers could support decisions on the creation of additional childcare in the borough to meet demand when the eligibility for 30 hour child care places was introduced in September 2017. Based on analysis of spare capacity and projected demand it was anticipated there would be a shortfall of places in some areas of the borough at the busiest times and action was currently being taken to address this.

To ensure the Local Authority was best placed to manage the childcare market, the position was kept under ongoing review. Take-up of early education for two, three and four year olds was reviewed termly and a full childcare analysis was carried out annually to ensure there continued to be adequate provision to meet needs.

It was noted that there was a wide range of Ofsted registered childcare provision in the borough with over 93% of all Ofsted Registered childcare at 'good or outstanding' Ofsted grade.

Resolved:- That the Childcare Sufficiency Report 2016-17 be approved for publication.

151. CAPITAL FUNDING FOR THE DEVELOPMENT OF 30 HOUR CHILDCARE PLACES

Consideration was given to the report detailed how the introduction of the Department for Education (DfE) 30 Hour Childcare entitlement would come into force in September 2017, and double the entitlement to early education for three and four year olds from 15 to 30 hours a week for children with working parents.

To ensure there was sufficient early education provision to meet projected increased demand, approval was requested to amend the criteria for allocation of the remaining 2013/14 two year early education capital funding to increase capacity within the childcare sector and to include Department for Education capital funding applied for in Summer 2016 into the Capital Strategy if successful.

The report highlighted the projected shortfall of childcare/early education places currently available to meet the anticipated demand and the potential capital funding available to increase places

Resolved:-

1. **That Council be recommended to approve the inclusion of the DfE capital funded projects into the Capital Programme, if the funding bid is successful.**
2. That the revised criteria for distribution of local two year old Early Education capital funding to create 30 Hour Childcare Places be approved.
3. That the purchase of an additional module for the existing IT system to support the eligibility checking and processing of payments to providers be approved.

152. PROPOSAL TO INCREASE CAPACITY AT WALES HIGH SCHOOL

Consideration was given to the report which detailed how the popular Wales High School, rated by Ofsted as a “Good”, was currently oversubscribed with the trend set to continue in future years.

This report, therefore, sought approval to increase capacity and the published admission number at the school to accommodate the current and future demand for places, subject to a successful planning application.

Resolved:-

1. That, subject to a successful planning application, approval be granted to the proposal to increase capacity by a minimum of 150 places at Wales High School by the installation of additional classrooms to accommodate current and future pupil numbers.
2. That £1.2m of the £2.5m approved and earmarked for increasing secondary school places in the borough in 2017/18 by the Cabinet and Commissioners’ Decision Making Meeting of the 11/04/2016, be allocated to fund the proposed works at Wales High School and that this expenditure be re-profiled into 2018/19 to reflect the construction programme for this project.

(Councillor Beck declared a personal interest on the grounds of being a School Governor. He remained in the room, but did not speak on this item)

153. NOVEMBER 2016 FINANCIAL MONITORING REPORT AND MID-YEAR TREASURY REVIEW

Consideration was given to the latest report which set out the financial position for both the Revenue Budget and the Capital Programme at the end of November and was based on actual costs and income for the first eight months of the financial year and forecast costs and income for the remaining four months of 2016/17.

The revenue position, before adjusting for the additional budget allocation approved by Council on 7th December, showed a forecast overspend of £9.623m after currently identified management actions. The additional in year budget approval had reduced the forecasted overspend down to £1.775m, however, this additional budget approval had to be funded and the extent to which in year revenue spend across the whole Council could not be reduced, would inevitably impact the Council's reserves and future financial sustainability.

The Council report approved additional in-year funding to address pressures, predominantly in Children's Services (£7.848m) and £608k for new investments for Adults, Children's and Corporate services which would enable the delivery of significant savings in future years. The report also approved additional funding for 2017/18 of £11.005m which would be built into the Medium Term Financial Strategy and specific budget plans for next year.

There was also a significant forecast overspend (£5.505m) on the Dedicated Schools Grant (DSG) High Needs Block. This was a forecasted increase of £4.5m in an eight month period. Whilst this did not affect the Council's financial position directly at this time it was imperative that the recovery strategy reported in September Financial Monitoring Report to Cabinet was implemented in order to address this position and avoid any risk to the Council in the future.

The report showed the detailed reasons for forecast revenue under and over spends by Directorate after management actions which have/were already being implemented and which also included extensive controls with monthly budget challenging meetings, the Workforce Management Board which scrutinised all requests for recruitment etc. and was chaired by the Assistant Chief Executive, management of procurement spend and deep dives into unspent budgets.

The Capital Programme was currently on target to deliver within the overall approved budget and the report provided a detailed update and sought support to recommend to Council the inclusion of £277k costs capitalisation in the 2016/17 programme and the re-profiling of some approved budgets to reflect revised timescales for project delivery.

The report also detailed the revisions to the regulatory framework of treasury management during 2009 which introduced a requirement that the Council receive a mid-year treasury review, in addition to the forward looking annual treasury strategy and backward looking annual treasury report required previously. The review informed on performance against the plan and included key messages on investments, borrowing and governance, which was monitored by the Audit Committee.

The Leader asked for Directorates/Cabinet Members to report on some of the pressures they were facing and the corporate mitigating actions being taken, but similar to other Local Authorities across the country Rotherham

was facing overwhelming pressures in Adult Social Care.

The Cabinet Member for Adult Social Care and Health and Strategic Director confirmed pressures on Adult Social Care was a national issue due to underfunding by the current Government. The main pressures included direct payments, which saw 180 new clients during 2015/16 and a further 86 since April, 2016. Linked to this were demographic pressures, an increase in the aging population in Rotherham, living with frailties and the high cost of placements.

The work being done was excellent with officers looking carefully at high cost packages, monitoring closely demographic pressures, weekly budget meetings looking at current pressures and spending levels, scrutiny and challenge of assessments and spending decisions authorised by Heads of Services or above only. All this action meant the transformational programme was on hold while the overspends were being dealt with.

The National trend was outlined and Rotherham's frailty had been exposed over the last few weeks at the hospital with patients staying longer in hospital and replicated in the community. An in-depth analysis of the aging cohort over the next few months would give a clearer and transparent picture of charges that may be faced. Working to obtain best value and challenge to managed accounts could lead to a further reduction in spend. Another area to be robustly challenged was continuing health care which could unlock some disputed packages over next few months.

The Directorate were not under-estimating the challenges being faced and which had led to contact being made with the recently retired Director, now working with the LGA, from one of the three only underspent Departments for Adult Social Care nationally to see if he could offer support from a different perspective and bring real positive intelligence into Rotherham.

The Deputy Leader with responsibility for Children and Young People's Services and the Strategic Director confirmed there were three things which impacted on the demand for children in care. Firstly, the improving practice for taking action earlier for children at risk, secondly, the use of agency staff, which was currently at 18% and nationally 16%; and thirdly, a number of ongoing CSE investigations which required additional social work support.

Action was being taken which included the moratorium on non-essential spend, scrutiny of all requests for children deemed wanting local authority care, reviewing all existing placements to get value for money, children placed for adoption quickly where appropriate, reunifying birth families where appropriate, implementing the Sufficient Strategy by recruiting foster care families closer to Rotherham and investing in improvements so that children could remain at home to achieve better outcomes where it was safe to do so.

Further information was provided on workforce statistics with the reported vacancy rate for social workers which was at 17% nationally and in Rotherham at 10%. The latest recruitment round was excellent with people wanting to come to work in Rotherham.

The Dedicated Schools Grant was being managed separately and the £5 million overspend on the High Needs Block needed to be addressed with school partners where there was a higher proportion of SEN, the increasing trend on the numbers of children excluded thus requiring high quality alternative provision and working with the CCG to ensure there was appropriate provision locally for children with complex needs. Work was taking place with the Rotherham Schools' Forum on a strategy that would tackle this over the next few years.

The Strategic Director for Regeneration and Environment described the managed process approach to assist in managing the overspends and underspends where this could be achieved. There was robust challenge at management team level, a planned management process in place, key reviews taking place which could impact on potential service delivery and deliver savings in the future. There were also some key challenges which could not be ignored particularly around Planning and Building Control, ongoing problem with winter maintenance which was weather dependent, street scene and home to school transport which was demand led. There was an overall fleet review plan of action which could reduce the liability over future years. Whilst there were some underspends it was not without its challenges to assist in the overall budget balance to Council.

The Strategic Director for Finance and Customer Services also confirmed the Directors of Finance and Customers Services and Assistant Chief Executive, which were primarily staffing budgets were both underspending overall and the majority of this related to vacancies.

In terms of the wider corporate measures work was taking place through into year end and final accounts and consideration given to where revenue spend could be capitalised.

Actions and delivery of the capital programme had seen some slippage which helped free up resources. The 2016/17 budget had a £2m set aside from capital receipts and intended to be used for any redundancy costs required. Not all this figure was required and thus freed up some of the resources to fund transformation revenue spend. In addition, the capital receipts received was greater than £2 million, which would feed into the MTFS for next year as part of the finalisation of the budget proposals.

The Leader of the Council briefly summarised information shared which included the pressures on social care in Councils across the country, identified the impact on austerity across the board, the need to prioritise the most vulnerable people in the community and the challenges on the

delivery of priorities for the people of Rotherham in a difficult and financial context.

Resolved:-

Revenue

1. That the current 2016/17 forecast overspend of £1.775m, after management actions and the allocation of additional in year budget. (Paragraph 3.1) be noted.
2. That the specific actions being implemented to challenge planned spend between now and the end of March to reduce the forecast overspend and minimise the call on reserves (Paragraph 2.7) be noted and endorsed.
3. That any additional actions which could be implemented to help manage down the current forecast overspend be recommended.
4. That a detailed Dedicated Schools Grant (DSG) High Needs Sufficiency Strategy and Financial Plan to address funding and provision will be discussed and consulted upon at the 13th January, 2017 Schools Forum meeting (Paragraph 3.16) be noted.

Capital & Mid-Year Treasury Review

5. That Council be recommended to include the following schemes in the 2016/17 Capital Programme (paragraphs 2.13):-
 - Capitalisation of Building Repair and Maintenance Costs - £157,000
 - Capitalisation of costs relating to Pit House West - £85,000
 - Capitalisation of Grass Cutter - Rother Valley Country Park - £35,000
6. That Council be recommended to approve changes to budgets identified in Appendix 3 for projects which are already included in the Approved Capital Programme.
7. That the position in respect of the Mid-Year Treasury Review be noted and Council be recommended to approve the changes to the 2016/17 prudential indicators.

154. CALCULATION OF THE COUNCIL TAX BASE FOR 2017/18

Consideration was given to the report which set out the calculation of the Council's proposed Council Tax base for the forthcoming financial year 2017/18.

This calculation took into account: the Council's own Local Council Tax

Reduction Scheme (CTRS), discretionary discounts and premiums on second homes, projected future tax collection rate in 2017/18 and estimates of the changes and adjustments in the tax base that occurred during the financial year.

In accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 governing its calculation, it was determined that the Council's Tax Base for the financial year 2017/18 was 68,235.14 Band D Equivalent Properties.

Resolved:-

1. That it be recommended to Council:-

- That Rotherham's Council Tax Reduction Scheme for 2017/18 be unchanged from 2016/17.
- That Council Tax discounts and premiums not be changed for 2017/18.
- That the amount calculated by Rotherham Metropolitan Borough Council as its Council Tax Base and those of the Parish Councils shown at Appendix A for 2017/18 shall be a total of 68,235.14 Band D Equivalent Properties.

155. NEW APPLICATIONS FOR DISCRETIONARY RATE RELIEF TOP UP

Consideration was given to the report which detailed the applications made by British Heart Foundation, a registered charity, for the award of a discretionary business rate relief top-up for the premises listed in the report. This was in accordance with the Council's Discretionary Business Rates Relief Policy (approved 24th April 2013).

Resolved:- That the applications for discretionary business rate relief top-up to the registered charity British Heart Foundation for the premises listed in this report be refused in accordance with the details set out in Section 7 to this report.

156. RURAL RATE RELIEF TOP UP 2016-17

Consideration was given to the report which detailed the applications made by three ratepayers for the award of discretionary business rate relief top-up. Any such award would align these small rural businesses with similar ratepayers who benefitted from 100% small business rate relief. The top-up relief would only be required for the 2016/17 financial year as the Government had announced plans in the Autumn Statement to increase rural rate relief to 100% from 1st April, 2017.

Resolved:- That the applications for discretionary rate relief top-up listed in this report be approved in accordance with the details set out in Section 7 to this report.

157. HOUSING RENT 2017/18

Consideration was given to the report which sought approval for the proposed values for the setting of the housing rents and non-dwelling rents for 2017-18.

Further information was provided on the changes to the Government's policy on social housing rents resulted in the requirement to reduce dwelling rents by 1% over four years from April, 2016. To comply with the legislation rents would be reduced by 1% for a second year from April, 2017, which would be of welcome relief by tenants.

However, this change to the rent formula from 2016/17 would result in the Council receiving less income than under the current formula over four years and, therefore, impact on the Housing Revenue Account and ability to maintain quality accommodation for those people that needed it most.

Cabinet Members noted the Government direction to reduce housing rent and the apparent policy reversal on working towards rent convergence.

Resolved:-

1. That the contents of the report be noted.
2. **That Council be recommended to approve the following changes to Housing Rents charges:-**
 - (a) **That dwelling rents be reduced by 1% for 2017/18 in line with the requirements outlined in the Welfare Reform and Work Act 2016. The average dwelling rent for 2017/18 will be £73.29 per week over 52 weeks, an average reduction of £0.74 per week.**
 - (b) **The average rent for the energy efficient Council properties will also reduce by 1% to £94.48 per week, an average reduction of £0.95 per week.**
 - (c) **That there is a 1% increase to charges for garage rents, communal facilities, laundry facilities and cooking gas in 2017/18 in line with the increase in Consumer Price Index (CPI) as at September 2016.**
3. That the draft Housing Revenue Account budget for 2017/18 (Appendix A) be noted.

158. DISTRICT HEATING SCHEME CHARGES 2017/18

Consideration was given to a report sought approval for the proposed charges for the Council's District Heating schemes for 2017-18 and which examined each of the three distinct schemes taking into account the cost of the schemes, weekly pre-payment charge and the impact of the level of refunds and tenant arrears owed to the Council.

Resolved:-

1. That the contents of the report be noted.
2. That Council be recommended to approve:-
 - (a) That there be no increase to the unit charge for the pooled district heating schemes.
 - a) That there be no increase to the pre-payment weekly charge for the pooled and unmetered scheme at Beeversleigh.
 - b) That there be no increase to the unit KWh charge at the Swinton district heating scheme
 - c) That a further review of the performance of the pooled schemes be undertaken in 2017/18 including the extent to which full cost recovery has been achieved.

159. LEASEHOLDER SERVICE CHARGE INCREASES

Consideration was given to the report which set out proposals to increase the current annual service charges and to introduce a range of fixed administration charges in respect of service delivery to Council leaseholders, including increasing the administration and management from £60 to £130, and for those that had communal cleaning to increase from £26 to £98 in the next financial year.

The proposals would result in the average annual service charge increasing from approximately £212 per leaseholder to £377 which equated to a 78% increase, although leaseholders who did not receive communal cleaning services would see a lower annual increase of approximately 50%.

It was necessary to increase charges because the Council did not currently recover the full cost of services which were delivered to leaseholders. Consequently, these proposals were a continuation of the progression towards full cost recovery and had been consulted upon, the principle of which was approved by Cabinet following submission of an earlier Leasehold Income Collection report on 11th April, 2016.

It was proposed to provide a full cost breakdown each year for each leaseholder as part of their charge.

Cabinet Members welcomed the hard work that had taken place to achieve this position, which had been undertaken in full consultation with leaseholders as part of the process.

Resolved:-

1. That the proposed changes to the annual leasehold service charges

for 2017, as set out within sections 4.1.1 and 4.1.2, be approved

2. That all annual services charges, other than Ground Rent, be variable in future, with the charges being based on actual cost to the Council, as set out within section 4.1.3.
3. That the introduction of fixed administration charges for ad-hoc services, as set out within section 4.1.4, be approved.
4. That the proposals to introduce further charge items in future in order to progress towards full cost recovery, as set out within section 4.1.5., be approved.

160. A618 GROWTH CORRIDOR

Consideration was given to the report which detailed the economic growth sites in the south of Rotherham around the A618 growth corridor as well as existing developments. The largest potential development was at the Pit House West site, currently being progressed by Gulliver's for a leisure facility and proposals to expand the Vector 31 employment site.

The highway improvements were currently confined to four existing junctions on the A618 and A57 network. A bid, with an Outline Business Case for fully funding these highway improvements, was submitted to the Sheffield City Region (SCR) Combined Authority on 24th October, 2016. The Outline Business Case was approved to move to a full submission, and the Final Business Case was submitted to the SCR on 11th November, 2016.

From correspondence with the SCR, it had been stated that funding for the improvements (the 'A618 Growth Corridor') would only be made for financial year 2016/17. The value of the works that were deliverable in 2016/17 – effectively Phase 1 of the project - was £759,000. Any further and later works – Phase 2 - in the area would have to be the subject of a further bid, or funded by non-SCR sources.

It was known that it would be necessary to conduct some works in 2017/18 onwards and to undertake further studies to examine improved means of access to developments in the area. Funding for this was not currently allocated from any source.

It was, therefore, proposed that the allocation of up to £384,000 for Phase 2 of the A618 Growth Corridor be approved from the £10m allocation for Highway Improvement Works, approved as part of the Capital Strategy 2016-21 and that the Phase 1 works be completed utilising the Phase 2 funding if the Phase 1 works were not complete before the end of the financial year 2016/17.

The Strategic Director for Regeneration and Environment provided an explanation about funding proposals and risks for Phase 1 and Phase 2,

what the works entailed and the benefits and improvements along the A618 Growth Corridor, including the visitors to Rother Valley Country Park and Gullivers. It was suggested and agreed that the financial spend be closely monitored.

The Chief Executive pointed out that the A618 growth corridor was one of the key things that came out of the consultation undertaken as part of the development by Gullivers and sought to address some of the key issues from residents along with job creation linked to these two sites.

Resolved:-

1. That the allocation of up to £384,000 for Phase 2 of the A618 Growth Corridor be approved from the £10m allocation for Highway Improvement Works, approved as part of the Capital Strategy 2016-21.
2. That the Phase 1 works be completed utilising the Phase 2 funding if the Phase 1 works are not complete before the end of the financial year 2016/17.



Cabinet and Commissioners' Decision Making Meeting
Public Report

Summary Sheet

Council Report:

Cabinet and Commissioners Decision Making Meeting – 13 February 2017

Title:

Approval of Tender for the construction of a two classroom block and alterations to the main school building at Laughton Junior and Infant School

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

This is not a key decision, but has been included on the Forward Plan. Approval for the scheme was given at the Cabinet and Commissioners' Decision Making Meeting held on 11 April 2016, as part of the approved Schools Capital Programme 2016/17 to 2017/18.

Strategic Director Approving Submission of the Report

Damien Wilson, Strategic Director of Regeneration and Environment

Report Authors

Andrew Parry, CYPS Capital Projects Co-ordinator/Building Officer, Corporate Property Unit, Tel Ext 22559

Howard Buckley, Senior Architect, Corporate Property Unit, Tel Ext: 54070

Russell Foster, Quantity Surveyor, Corporate Property Unit, Tel Ext: 54110

Ward(s) Affected

Dinnington

Executive Summary

The project at Laughton Junior and Infants School is to construct a new foundation stage classroom block and to create larger classrooms within the main building, to enable an increase in the published admission number. This project is part of the Children and Young People's Service Capital Programme which was approved by Cabinet and Commissioners' Decision Making Meeting on 11 April 2016.

This report seeks authority to accept a tender for alteration works and the building of the extension to the School resulting from a competitive procurement exercise.

Recommendation

That the tender submitted by O & P Construction Ltd for the completion of the alteration works and provision of a new classroom block at Laughton Junior and infant school be accepted.

List of Appendices Included

Appendix 1 - Exempt Finance Addendum to report

Background Papers

Schools Capital Programme 2016/17 to 2017/18, reported to Cabinet and Commissioners' Decision Making Meeting held on 11 April 2016.

Consideration by any other Council Committee, Scrutiny or Advisory Panel

N/A

Council Approval Required

No

Exempt from the Press and Public

Partial Exemption

An exemption under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, as this report contains sensitive commercial information with regards to contracts with Service Providers.

It is considered that the public interest in maintaining the exemption would outweigh the public interest in disclosing the information, as the parties' commercial interests could be prejudiced by disclosure of commercial information.

Main Report

1. Recommendation

- 1.1 That the tender submitted by O & P Construction Ltd for the completion of the alteration works and provision of a new classroom block at Laughton Junior and infant school be accepted.

2. Background

- 2.1 The Council has a statutory duty to provide sufficient school places across the Borough. There has been considerable house building in the Laughton area which has resulted in an increase in demand for school places.
- 2.2 A statutory consultation has already been carried out and the proposal to increase the capacity at Laughton Junior and Infant School from twenty four to thirty pupils per year group was approved on 10 October 2016 by the Cabinet and Commissioners' Decision Making Meeting.
- 2.3 If approved this project will see the construction of a new foundation stage block consisting of two classrooms and associated accommodation and alterations to the existing building. An old modular classroom which currently houses a foundation stage two class will be replaced in the new block and then demolished. The classrooms within the main school building are too small to accommodate the usual thirty pupils per year group. Three classrooms will be extended and two larger classrooms will be created from three existing classrooms.
- 2.4 This project was procured using the YORbuild2 framework. The use of the YORbuild2 framework was approved at the Cabinet and Commissioners' Decision Making Meeting on 18 January 2016 (Item 10).

3. Key Issues

- 3.1 This report covers approval of a contract for the construction of a two classroom block extension and alterations to the main school building at Laughton Junior and Infant School.

4. Options considered and recommended proposal

- 4.1 Early in the design stage an option was considered to integrate the new classrooms required into the main building. The design and layout of the existing school made this very difficult to achieve. The roof construction is particularly complex and there are no circulation spaces on the external wall to allow an easy integration. The new classrooms to be provided will contain the foundation stage children. The new foundation stage block is to be located to the side of the school, near to the existing modular classroom. It can be accessed separately from the main school and a specific outdoor play area will be provided.
- 4.2 The project has been procured as a direct call-off via the YORbuild2 framework, using the YORtender portal.

- 4.3 In addition to the tender sum, a contingency sum is recommended to take into account any unforeseen circumstances or events. If there are no unforeseen circumstances then the contingency will be uncommitted.

- 4.4 Exempt Finance Addendum 1 details the outcome of the tender exercise.

5. Consultation

- 5.1 A statutory consultation has already been carried out and the proposal to increase the capacity at Laughton Junior and Infant School from twenty four to thirty pupils per year group was approved on the 10th October 2016 by the Cabinet and Commissioners Decision making meeting.

- 5.2 The School has been consulted through the design for the construction of the two classroom block extension and alterations to the main school building.

6. Timetable and Accountability for Implementing this Decision

- 6.1 Subject to approval of the tender, the project is programmed to start on site on the 6th March 2017 and to be complete by the 31st August 2017 with the units available for the school to use at the commencement of the 2017/18 academic year.

7. Financial and Procurement Implications

- 7.1 Funding of £1.2m for the project at Laughton Junior and Infant School was approved at the Cabinet and Commissioners Decision Making Meeting held on 11 April 2016, as part of the approved Schools Capital Programme 2016/17 to 2017/18. This figure included contingencies and fees. The estimated cost of completing the project, set out in the exempt Finance Addendum to this report, Appendix 1, is within the funding allocation detailed above. The funding for the project is entirely from DfE capital grant allocations, so there will be no call to use the Council's own capital resources and there will be no ongoing revenue budget implications.
- 7.2 Further financial information is contained within the exempt Finance Addendum to this report at Appendix 1.

8. Legal Implications

- 8.1 There are no direct legal implications arising from this report.

9. Human Resources Implications

- 9.1 None known.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 As stated in the contract documentation, the suppliers and sub-contractors have an obligation to report any concerns about the treatment of vulnerable adults and children that they may witness in the course of their work. Any concerns must be reported to the Rotherham Multi Agency Safeguarding Hub (MASH).

11. Equalities and Human Rights Implications

- 11.1 There are no known negative impacts identified as a consequence of taking forward the recommendations identified within this report.

12. Implications for Partners and Other Directorates

- 12.1 The main implications relate to the CYPS Directorate and schools admissions. Additional pupils will be given a school place at Laughton from September 2017. Any delays to the programme could result in pupils having to be taught in temporary accommodation within the school.

13. Risks and Mitigation

- 13.1 A contingency sum for risk which will equate to 7.5% of the contract sum will be included, which is considered adequate for a scheme of this nature.
- 13.2 Any delay to the approval of this report could result in a delay to the construction programme. This report, therefore, seeks approval on the 13th February 2017. If this report does not receive approval then the works will be at a high risk of not completing on time in order to allow the children access to the service to be provided. This could result in pupils having to be taught in temporary accommodation within the school.

14. Accountable Officer(s)

Damien Wilson, Director – Regeneration & Environment

Paul Smith, Corporate Property Manager – Planning, Regeneration & Transport

15. Approval received by

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:

Jon Baggaley, Finance Manager: Regeneration & Environment – 21.12.2016

Assistant Director of Legal Services:

Neil Concannon, Legal Services – 30.11.2016

Head of Procurement:

Helen Chambers, Interim Corporate Procurement Manager – 12.12.2016

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Cabinet and Commissioners' Decision Making Meeting
Public Report

Summary Sheet

Council Report

Cabinet and Commissioners' Decision Making Meeting – 13 February 2017

Title:

Corporate Property / Asset Management Health Check

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

Yes, this is a Key Decision and has been included on the Forward Plan

Strategic Director Approving Submission of the Report

Damien Wilson – Strategic Director Regeneration and Environment

Report Author

Paul Woodcock – Assistant Director Planning, Regeneration & Transport

Ward(s) Affected

All

Summary

The Strategic Director for Regeneration and Environment requested a service health check for Asset Management/Corporate Property on joining the Council in the Spring of 2016. This was to provide headline reassurance that the service was operating in the delivery of its Asset Management/Corporate property function in a satisfactory manner and to identify whether there may be any key risks or particular areas for improvement. The health check will enable the authority to prioritise any improvement or particular focus that is required for the service as part of the Corporate Improvement Plan.

The health check was tendered via the Council's procurement service and the contract was awarded to CIPFA Property Services Ltd. CIPFA have completed the health check, which includes a number of recommendations that have been incorporated into an action plan which is attached at Appendix 1 for consideration. The health check recommendations and action plan are split into sections and the key aspects for Cabinet and Commissioners are the actions and recommendations in the Strategic Section.

Recommendations

1. That the health check provided by CIPFA is agreed along with the action plan provided in Appendix 1.
2. That the recommendations and action plan be implemented and implementation be overseen by the establishment of a Corporate Property and Asset Management Board.
3. That Cabinet receives quarterly update reports on the progress of the implementation of the action plan.

List of Appendices Included

Appendix 1 – Action Plan

Background Papers

CIPFA Health Check Report

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Title:

Corporate Property / Asset Management Health Check

1. Recommendations

- 1.1 That the health check provided by CIPFA is agreed along with the action plan provided in Appendix 1.
- 1.2 That the recommendations and action plan be implemented and implementation be overseen by the establishment of a Corporate Property and Asset Management Board.
- 1.3 That Cabinet receives quarterly update reports on the progress of the implementation of the action plan.

2. Background

- 2.1 The Strategic Director for Regeneration and Environment commissioned a health check for Corporate Property in May 2016; following a tender process the contract was let to CIPFA in July 2016. As part of the health check CIPFA reviewed documentation, undertook interviews and benchmarked the service under CIPFA's value for money framework.
- 2.2 The final health check report was received in November 2016 and identifies a number of recommendations which have been incorporated into an action plan; this is provided in Appendix 1. The action plan to improve how the Council operates Corporate Property/Asset Management is seen as an important aspect of the improvement process.
- 2.3 The health check recognises that the Council has, in the past, had an excellent reputation with regard to strategic asset management and in 2005 was successful in being awarded Beacon Council status for asset management. However, the Council's strategic vision and planning has been lacking for a number of years and this removed the possibility of there being a strategic view of property asset management. The Council now recognises that property is a key resource that helps and supports efficient and improved service delivery as well as contributing to wider regeneration ambitions.
- 2.4 Commissioner Kenny has issued a letter to the Chief Executive detailing the requirements needed before the function of Asset Management can be recommended for return to the Council. The action plan covers the issues raised in the letter and all aspects will be incorporated into the action plan and future monitoring.

3. Key Issues

- 3.1 The health check identifies a number of strategic issues for consideration which can be summarised as follows:-

- 3.1.1 CIPFA recommends that the property service should remain within the Council but must continue to make improvements, particularly around strategic asset management.
- 3.1.2 The Council should introduce a **Strategic Asset Management** function, with a manager/post for this function reporting to the Corporate Property Manager.
- 3.1.3 The Council should fully adopt a **Corporate Landlord** model. All property related activity should come under a corporate landlord model unless there are clear operational reasons not to do so.
- 3.1.4 The Council should implement a **governance structure** for property/asset management by establishing an asset management group or board comprising key representatives of service and resource areas at appropriate levels.
- 3.1.5 The Council should develop:-
 - a) **A Property Asset Management Policy** - a short and concise document that describes the principles adopted in applying asset management to achieve the Council's strategic objectives.
 - b) **A Property Asset Management Strategy** - a clear and concise high level document setting out how property asset management is delivered/co-ordinated across the Council to meet the Council's goals and objectives.
 - c) **An Asset Management Action Plan** - clear and measurable actions that will be implemented over 3 -5 years, as part of delivering the Council's Asset Management Strategy.
 - d) **A suite of Service Asset Management Plans** – based on individual Service Plans and Improvement plans.
- 3.2 The health check identifies a number of other recommendations, which have been worked into an action plan, found in Appendix 1.
- 4. **Options considered and recommended proposal**
 - 4.1 The main option is what to do with the health check report and the recommendations contained within it. One option would be to dis-agree with the findings and to not accept the report. Officers have gone through the report and also met CIPFA to go through the main findings and consider the health check to be a fair reflection of the service at this current time.
 - 4.2 The recommended option is to accept the health check report and the recommendations and to consider the action plan produced from the findings.
- 5. **Consultation**
 - 5.1 Consultation with officers, members, commissioners and stakeholders took place as part of the review by CIPFA.

6. Timetable and Accountability for Implementing this Decision

- 6.1 If approved the action plan incorporates both the lead accountable officer responsible for each action as well as a timescale for implementation. The overall accountability rests with the Strategic Director for Regeneration and Environment.
- 6.2 It is recommended that the action plan is monitored and overseen by a newly formed corporate group and in addition is brought back to Cabinet at three monthly intervals in order that progress can be monitored.

7. Financial and Procurement Implications

- 7.1 A robust and clear Property Asset Management Policy and Strategy aligned to the Council's Vision and Corporate Plan priorities are critical to the successful delivery of the Council's Capital Strategy. Within this Asset Management Strategy, regeneration, investment and growth outcomes will be a priority area. Its success is key to generating future income to the Authority from the growth in business rates and council tax/new homes bonus to support the Revenue Budget. In addition, savings arising from property closures and disposals and major Directorate service reviews have been put forward as part of the 2017/18 Revenue Budget Setting process. This also links in with another key recommendation to reduce costs through the joint use of accommodation and joint working arrangements with other public sector partners, through the One Public Estate. It is therefore key that the recommendations of the CIPFA Health Check Report are implemented.
- 7.2 One of the key recommendations is to review the team structure, with the creation of a Strategic Property Asset Management Team within the service. The starting assumption will be that this will be achieved within existing budgets.
- 7.3 A further recommendation, Recommendation 12, is to instigate a full 5 year condition survey programme, to inform the Council's approved operational buildings Capital Investment programme, for which £2.970m has been allocated in the Capital Programme for 2017 to 2021 and for the building revenue maintenance programme. The annual cost of these surveys is estimated to be £28,000 for the Council's non-school estate and £35,000 for the current retained school estate, totalling £63,000. Any work done for academy schools will be charged to them, so there would be no cost to the Council and the remainingsurveys will be funded from existing resources. The surveys will also inform locations for future service delivery and the Council's asset disposal programme.
- 7.4 Recommendation 14 is to revisit the current arrangements for internal fee recharging of design/project related work and develop a more suitable approach. The service currently has an annual net income target of £485,000. This should be considered as part of the Council's traded services review as any changes to the existing charging arrangements will have implications for the revenue budget.

- 7.5 Recommendation 18 is to develop a policy approach and realistic and sustainable pricing structure for providing facilities management support to schools. The true cost of the service needs to be identified, to form the basis of charges to Council maintained and academy schools, or indeed whether these services are provided at all. This again links in with the traded services review and in particular the portfolio of services being offered to schools.

8. Legal Implications

- 8.1 Legal services have an important role to play in terms of Corporate Property, especially in terms of legal documentation (for example leases, sales and acquisitions). It is therefore vital that Legal Service works with Corporate Property to align resources to meet priorities and work areas.

9. Human Resources Implications

- 9.1 The recommendations and action plan contain a number of areas with human resource implications, including the strategic recommendation to introduce a strategic asset management function with an associated manager / lead officer. The action plan has a number of other recommendations linked to staff and also training. If approved, the intention is to re-structure the Corporate Property Unit to address the recommendations and implement the relevant areas of the action plan.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 The health check considered the property service for Children and Young Peoples Services which is detailed in the full report. The main implications relate to facilities management and also the charging schedule for schools, which is identified in the action plan.

11. Equalities and Human Rights Implications

- 11.1 There are no negative impacts identified as a consequence of taking forward the recommendations identified within this report.

12. Implications for Partners and Other Directorates

- 12.1 The proposed introduction of a full Corporate Landlord model will have implications for other directorates as will the proposed recommendation to introduce a new corporate governance board.
- 12.2 The main implications for partners will arise from the implementation of the action plan and especially those actions relating to asset management plans for services and buildings. There is a significant potential for partnership working across both Rotherham and the City Region around the One Public Estate (OPE) and Joint Assets Board (JAB) and the opportunities this presents to work more collaboratively across the public sector estate.

13. Risks and Mitigation

- 13.1 The main risk relates to implementing the recommendations and action plan within the timescales set. This will require a concerted effort, not only from the property service team, but across the whole authority. The setting up of a Corporate Property and Asset Management Board comprising the Cabinet member for Jobs and the Economy and senior officers from across all directorates will help in ensuring the recommendations in the action plan are delivered.
- 13.2 A significant risk is the ability to adequately resource the action plan especially recognising the resources already taken out from the service and the benchmarking section generally points to a service with costs in the lower quartile (e.g. para 6.14 – “total costs for strategic asset management are relatively low for an authority the size of Rotherham”). To mitigate against this risk it is intended to:

13.2.1 re-focus and prioritise the service to align to the recommendations and action plan.

13.2.2 adopt a full corporate landlord model.

13.2.3 introduce a new governance structure and ‘Corporate Property and Asset Management Board’ to oversee the service and its functions.

13.2.4 bring quarterly reports to the Cabinet until advised otherwise.

14. Accountable Officer(s)

Damien Wilson – Strategic Director Regeneration & Environment.

Paul Woodcock – Assistant Director - Planning, Regeneration & Transport

15. Approvals

Strategic Director of Finance and Customer Service:

Jonathan Baggaley, Finance Manager for Regeneration & Environment

Assistant Director of Legal Services – Stuart Fletcher, Legal Services Manager

Ref.	Health Check Recommendations - Strategic Areas	Potential Benefits	Risks if not implemented	Priority	Ease of Action	RMBC Action	Lead officer	Completion Date
1	Property Services should remain as a service within the Council for the immediate future but it must continue to make significant improvement particularly around corporate asset management, developing a strategic and coordinated approach to property and the management of activities undertaken. Many of these have been outlined in more detail within the recommendations below. The council should also use external support to 'Top-Up' areas that currently are under resourced.	The council has instigated a number of improvements within the last 12 months and should accelerate the rate of improvement in both cost and quality. As a result there will be less risk and disruption to the Council and the property service if this option is adopted. Existing working practices can be built upon to deliver more effective approaches.	The continuation of the current state is not an option if the Council is to maximise the efficiency of its property portfolio	1	2	Report to SLT and Cabinet to agree to the Health Check recommendations and plan of action.	DW	Feb 2017 for reporting to SLT and Cabinet
2	The Council should install an additional resource to head up the strategic asset management function who would report to the Corporate Property Manager. The current arrangement where the Corporate Property Manager performs both roles is unsustainable.	The section should see improved management and prioritisation of tasks and Strategic Asset Management will be improved.	Both the management of Property Services and Strategic Asset Management will continue to be adversely affected by dilution of each role.	1	1	Review of CPU structure to create A Strategic Property Asset Management team within CPU.	PW	Proposals May 2017 Complete Sept 2017
3	The council is currently reacting to individual property issues rather than having a clear consistent policy on what it wants from its property estate moving forward. As a matter of urgency the Council should: a) Provide an adequately skilled and dedicated resource for strategic asset management b) Carry out a comprehensive property review c) Work with each section of the council to develop simple 'SAMPS' (Service Asset Management Plan's) d) Develop an overall asset management strategy e) The section should also be in a position to provide co-ordinated support to the Council's strategic regeneration ambitions.	Once implemented there will be a clear understanding, framework and direction for the property estate. This should provide a foundation for decision making, reduce costs and enable the council to plan further ahead rather than reacting to emergencies on a regular basis.	The current disjointed approach to property will remain with no overall clear understanding of property direction and policy	1	2	a. A review of the CPU structure to create a Strategic Property Asset management team within CPU (See also recommendation 2) b. Through new Asset Management Group. (Recommendation 4) aligned with a new Asset Policy and strategy seed below). All aligned with Locality/ place, STP and SCR JAB activity. c. CPU Directorate leads to meet with Directorates to create/ update service Asset Management Plans. (Requires individual Service Plans and Improvement plans to be available)	PW PS PS	Proposals May 2017 Complete Aug 2017To be aligned with Localities / Place project April 2017

						d) 3 Parts to consist of i) Property Asset Management Policy - a short and concise document that describes the principles adopted in applying asset management to achieve the Councils strategic objectives. ii) Property Asset Management Strategy - a clear and concise high level document setting out how property asset management is delivered/ co-ordinated across the Council to meet the Councils goals and objectives. iii) Asset Management Action Plan - clear and measurable actions that will be implemented over 3 -5 years, as part of delivering the Councils Asset Management Strategy. e) Regeneration and growth outcomes will be one of the priorities within the asset management strategy.	PS PS PS PW	May 2017 May 2017 Sept 2017 May 2017
4	The Council should implement a new governance structure for Property Asset Management by establishing an Asset Management Group comprising key representatives of service and resource areas at an appropriate level. Ideally the group should be chaired by a Strategic or Assistant Director and have formalised terms of reference. A suggested governance structure chart is attached as Appendix B	We feel this group is fundamental to establishing a clear and coordinated direction for property within the council.	The Council will continue to be fragmented and services work in isolation. Money will be wasted on areas that are not a priority of the council and the use of the estate will not be maximised.	1	1	Report to SLT to propose new governance structure. New governance arrangements in place.	DW DW	April 2017 June 2017

5	The Council should revisit the implementation of the Corporate Landlord model and include all property related activity unless there are clear operational reasons not to do so. The adopted approach should be formalised through simple consistent service standards and simple guidance/promotional material should be provided to client departments with training for property staff to clarify what services are provided.	At present there is much confusion about what corporate landlord actually means and what is included. This causes problems and inconsistency in delivery. A clear documented approach will ensure that everybody knows what is expected and where their own role fits into the organisation.	The service will continue to be open to suspicion from other areas of the council and costs will be incurred through duplication of activity.	1	2	Corporate Landlord model to be reviewed and a report to SLT in Feb 2017 with a view to implementing across the remaining estate on the 1 st April 2017. Promotional material and SLA's. Re-launch Corporate Landlord at M3 manager's event.	DW PS PW	May 2017 July 2017 Sept 2017
Ref.	Health Check Recommendations - Working with Customers	Potential Benefits	Risks if not implemented	Priority	Ease of Action	RMBC Action	Lead officer	Completion Date
6	Customer relationships need to be better managed by Property Services as follows: a) Each client department should be allocated a key contact within Property Services who will hold regular meetings to understand their needs and respond to issues that arise. b) Clients should engage with Property Services on a regular basis and share future aspirations to ensure that technical input is provided as early as possible and that property decisions are not made in isolation c) A standard SLA should be developed for use with clients outlining roles, responsibilities, clear fee scales and performance measures. d) All staff within Property Services should receive customer care training appropriate to their roles e) Simple promotional material should be produced for clients detailing the services Property Services provide.	Customer needs and expectations will be better understood and managed by Property Services. Clients will see a more proactive service and have opportunities to raise concerns and issues on a regular basis through appropriate channels of communication. Incidences of inappropriate attitudes/responses to clients will be minimised.	While customer relationships are good between certain sections there are still many areas that need to improve. Failure to do so may encourage clients to look elsewhere for property related support.	1	2	a) CPU structure review will include review of key contacts. In the interim the contacts are i) CYPS - Rob Holsey, ii) R & E - Stuart Carr iii) Adult Care and Housing – Paul Smith iv) Assistant CX –Paul Smith v) Finance and Customer services - Paul Smith. vi) Public Health – Paul Smith b) Directorates: i) To identify Directorate/ Service lead officers to meet regularly with CPU leads. CPU service leads will instigate contact with department leads once advised who they are. ii) Corporate Property Manager and CPU Lead to engage and report at appropriate intervals at	PS SLT PS/ SLT PS	May 2017 May 2017 From March 2017 May 2017

						directorate Management Meetings. c) Standard SLA to be reviewed and rolled out with Directorate/ Service leads. d) Training needs and availability to be identified as Part of Structural review and PDR's. training to then be rolled out. e) To be linked in with Recommendation 5, SLAs and written materials for Corporate Landlord. Intranet site to also be included	PS PS	June 2017 July 2017
7	Property Services needs to raise its profile corporately through proactive engagement at a senior level to develop a more informed and positive attitude towards the service.	The section will be able to assist and contribute more to Strategic Issues providing a property perspective in key decision at the most beneficial and appropriate time.	Key property issues could be overlooked in corporate decisions/policy.	1	1	Through the new property asset group, SLT, DMT's and Member briefings regular updates shall be provided on action plans, progress and achievements.	DW/ PW/ PS	From April 2017
Ref.	Health Check Recommendations - Working with Partners	Potential Benefits	Risks if not implemented	Priority	Ease of Action	RMBC Action	Lead officer	Completion Date
8	The council should needs to establish a policy for closer working with other public sector partners in both the joint use of accommodation and possible joint working arrangements.	There is potential for reducing costs in the share use of assets and access to greater resources and skill mix in joint working.	This currently appears to be an unquantified aspiration without any clear corporate direction and as such may result in abortive effort.	2	3	Proposed Property Asset Management Policy Action 4, d, i, will cover this item.	PS	June 2017
Ref.	Recommendations - Service Issues	Potential Benefits	Risks if not implemented	Priority	Ease of Action	RMBC Action	Lead officer	Completion Date
9	a) The Head of Property should have a management structure with clear delegated responsibilities. This will not only enable other Council Officers and Members to have an accessible contact point when he is unavailable but also empower staff to	Resource areas will have a clear understanding of each other's roles, expectations and service standards reducing confusion and improving the organisational	The Section will continue to operate without clear and agreed priorities. Staff morale will further decline.	1	2	a) Review of CPU structure to create A Strategic Property Asset Management team within CPU will address this issue. For delegation see c) below.	PW	Proposals May 2017 Complete Sept 2017

	perform to their abilities. b) Both the Head of Property Services and Section Heads should reduce time spent on day-to-day activities and concentrate on Section Management and prioritisation of activities. c) There should be greater levels of delegation within Property Services.	culture.				b) To be taken forward as part of the CPU structural review. c) CPU comments have been passed to the Assistant Director of Legal Services as part of the review of the Councils Constitution. Once the Powers held by the AD PR&T are known a suitable scheme of delegation across CPU will be developed.	PW DW/ PW/ PS	May 2017 TBA Subject to constitution being agreed.
10	Staff in management positions within Property Services should receive appropriate management training including the management of people and performance related budgets.	Reduce inconsistencies in management approaches and develop a common appreciation of standards and expectations when working within project groups.	Some managers currently retreat to their own technical 'comfort zone' which leads to different standards of both management and staff behaviour within the department.	1	1	Identify and arrange suitable training for Managers as part of the review of CPU and PDR's.	PS/ PW	June 2017
11	The council should implement a review of the 'Investment Estate' and other Non-Residential Tenanted Property. A review of this area will help the council to focus investment priorities and dispose of property which is not worthwhile to retain.	The council doesn't have a clear understanding of its investment portfolio, challenging the reasons to why individual buildings are held and whether returns are being maximised.	Money will be wasted on property that is not worth retaining or investing in.	1	2	Report to SLT and Cabinet on Commercial and Investment Estate. Report/ Review on Remaining Estate to follow	PS PS	March 2017 Sept 2017
12	The Council should undertake a detailed review of property maintenance and how it is procured to ensure that it delivers the most efficient, economic and effective service possible. This should include a fully funded condition survey programme to enable a review of the current maintenance budget and how it could be prioritised more effectively moving forward. This should lead to cost and quality improvements and provide the customer with an effective and efficient service right from initial contact through to the end result.	There are significant opportunities from coordinating and streamlining approaches to prevent current duplication and in consistency.	Client dissatisfaction with the current service delivery standards will continue and money will be wasted through inefficient processes and priorities.	2	2	Detailed review to be carried out and recommendations implemented as part of the CPU structural review.	PS	Sept 2017
13	The council should implement the recommendations contained within the Compliance Audit of the Health & Safety Procedures Report contained within Appendix C.	Whilst Statutory Compliance Management is generally adequate there are areas of improvement that although minor that can simply be addressed.	Records for Compliance Activity will be out of date.	1	1	Issues raised are around documentation and record keeping not failures in compliance. Recommendations of the audit to be rolled out by April 2017.	PS	April 2017

14	The Council should revisit the current arrangements for internal fee recharging of design/project related work and develop a more suitable approach.	This will benefit the service by introducing a more appropriate charging approach and will have the potential to be compatible with external commercial fee charging.		1	1	To be tied in with corporate review of trading. There is the potential if the "correct" commercial fee level is applied that budget surplus will be reduced significantly and that CEC charges will have to be correctly assigned. Combined this would produce a revenue budget pressure.	PS & finance	April 2017
15	The council should set out a clear framework as to who can make decisions (and under what circumstances), on a range of property related areas. This should include: - Commissioning of works together with expenditure thresholds - Acquisitions and Disposals - Signing, granting, extending and negotiating of leases	The council will have full information on what is happening in relation to the property estate. This will eliminate inconsistencies, reduce risk and provide valuable and consistent performance information	Decisions will continue to be made inappropriately resulting in inefficiencies and putting the council at risk.	1	1	c) CPU comments have been passed to the Assistant Director of Legal Services as part of the review of the Councils Constitution. Once the Powers held by the AD PR&T are known a suitable scheme of delegation across CPU will be developed.	DW/ PW/ PS	TBA Subject to constitution being agreed.
16	The Council should establish the full extent, cost and specification of soft facilities management across the council. Once this is achieved the council should make a decision on how best this could be sourced and managed in the future.	There are significant opportunities from coordinating 'FM' from one part of the council or procured as one contract. This will enable the council to set consistent standards based on available spend and introduce greater performance monitoring across the entire estate and range of service areas.	Client dissatisfaction with the current service delivery standards and inconsistencies in approach will continue.	3	3	Review of Facilities Services to be carried out starting with trading services review	KP	April 2017
17	The council should ensure that property data is fully inputted and validated within the CIPFA Software and relevant clients/users have access and are adequately trained in using the system. Property Services should work with clients and other resource departments to understand anticipated reporting requirements so these can be provided with the minimum of difficulty.	More comprehensive and coordinated information will be held on the property estate with the ability for stakeholders to interrogate data in real time, keeping clients more informed on progress of works.	Additional costs generated from difficulty in accessing information on property easily. Inability to interrogate comprehensive data and make relevant informed decisions	1	2	Review of current data management practices and inputting and access to be completed by May 2017. Also tied in with Recommendation 13.	PS	May 2017
18	The council needs to address the Facilities Management support it supplies to schools a matter of urgency and develop a policy, approach and realistic/sustainable pricing structure for providing such support services in the future	The council will either have an effective model for delivering this service in the future or decide it shouldn't be providing such services as they are unsustainable.	The current service is unviable.	1	2	True cost of service to be ascertained for a number of service delivery options and offered to academies on a true trading basis. Also in alignment with Corporate review of trading and portfolio	RH	April 2017

						of service delivery to schools.		
Ref.	Recommendations - Staff Issues	Potential Benefits	Risks if not implemented	Priority	Ease of Action	RMBC Action	Lead officer	Completion Date
19	All staff within Property Services should receive general customer care training appropriate to their roles. Other training requirements should be identified and a clear training plan put in place	Staff will feel more equipped to carry out their roles and more confident when they deal with clients. The impression of the service should improve.	Property service staff will continue to feel demoralised and this has the potential of affecting their service to clients.	1	1	PS to ensure all PDR training requires are identified and included in Workbenches. PS to identify through HR Customer Services training.	PS	Sept 2017
20	There needs to be a greater level of delegation within Property Services in order to release managers from day-to-day activities and empower staff to take responsibility for appropriate tasks.	Staff will feel more empowered	Tasks will be handled at inappropriate levels and staff will see little opportunity for developing their skills.	2	1	Part of the CPU structural review and Delegated Powers review.	PS	TBA Subject to constitution being agreed.
21	Property Services should establish closer formal internal relationships between all areas of the section and implement a clear communication strategy through cascaded management and staff briefings.	Greater understanding of intelligence around priorities for property at strategic and operational levels.	Decisions at both strategic and operational levels are based on perception rather than real information and can lead to the wrong approach being adopted.	1	1	Part of the CPU structural review. Staff to be included in working group.	PS	May 2017
22	A review of roles against job descriptions and person specifications needs to be undertaken to ensure that staff are adequately qualified to undertake the tasks they are currently undertaking and ensure that they are appropriately supported and trained.	Current staff inequalities (perceived or otherwise) will be addressed.	Staff dissatisfaction and resentment will remain.	1	2	Part of the CPU structural review.	PW/PS	Proposals May 2017 Complete Sept 2017May

Summary Sheet

Council Report

Cabinet and Commissioners' Decision Making Meeting – 13 February 2017

Title

Rationalisation of the Property Portfolio: Green Space on Roughwood Road, Wingfield (Greasbrough Youth Football Club)

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

No

Strategic Director Approving Submission of the Report

Damien Wilson, Strategic Director Regeneration & Environment

Report Authors

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Culture, Sports & Tourism
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Jonathan Marriott – Estates Manager
Estates Team – Corporate Property Unit
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Ward(s) Affected

Wingfield

Summary

The purpose of this report is to seek approval for the granting of an Asset Transfer Policy lease agreement without break options which is a diversion from the Policy.

Recommendations

1. That a section of land at the Roughwood Road Playing Fields be leased to Greasbrough Youth Football Club (GYFC) for a period of 25 years, excluding any break clause in order to facilitate GYFC's access to external funding.
2. That the Assistant Director of Planning, Regeneration and Transport be authorised to negotiate the terms of the lease and the Assistant Director of Legal Services be authorised to complete the necessary documentation.

List of Appendices Included

Appendix 1: Site plan

Appendix 2: Location plan

Background Papers

Rationalisation of the Property Portfolio: Green Space on Roughwood Road, Wingfield, (Greasbrough Youth Football Club) Capital Strategy and Asset Review Team Report - 18th December 2014

Rationalisation of Property Assets – Report on the Adoption Of An Asset Transfer Policy - Cabinet 20th July 2011

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Title:

Rationalisation of the Property Portfolio: Green Space on Roughwood Road, Wingfield (Greasbrough Youth FC)

1. Recommendations

- 1.1 That a section of land at the Roughwood Road Playing Fields be leased to Greasbrough Youth Football Club (GYFC) for a period of 25 years, excluding any break clause in order to facilitate GYFC's access to external funding.
- 1.2 That the Assistant Director of Planning, Regeneration and Transport be authorised to negotiate the terms of the lease and the Assistant Director of Legal Services be authorised to complete the necessary documentation.

2. Background

- 2.1 Officers from the Council's Leisure and Green Spaces Team have been working for the past 3 years with GYFC (Greasbrough Youth Football Club) to support the development of football opportunities for young people in the Greasbrough and Wingfield area. The Club currently has a one year rolling licence (commenced October 2011) for four football pitches at the Roughwood Road playing fields site, Wingfield. The Club would like to extend the agreement into a full lease for football pitches and associated areas for a minimum of 25 years, shown on the site plan at Appendix 1. The Council would retain responsibility for the maintenance of the remaining part of the playing fields.
- 2.2 Prior to the approval of the current licence agreement, regular damage was caused to the pitches from motor cycles and quad bikes. The issue has been resolved as a result of GYFC accessing funding from the Football Foundation. This was matched to contributions from Housing, the Council's Off Road Motor Cycle budget, the Council's Green Spaces Team and a contribution from GYFC themselves. Fencing and gates have now been erected around the perimeter of the pitches in order to prevent off road motor vehicle access, whilst still allowing public access.
- 2.3 GYFC has more recently been working with the Council's Active Rotherham Team (Formerly Sports Development) to access a Sport England grant of £65,000 for pitch drainage works on the site. The Club has also submitted a planning application for changing units. In order for this work to be completed the current licence agreement needs to be changed into a longer term lease agreement for a minimum of 25 years and without any break clauses. This is because the funders (Sport England) have confirmed that they will only support the grant if the Club has this level of tenure on the leased site. The new lease will also allow GYFC to access further funding from the Football Foundation, which needs to be added to the Sport England funding in order to complete the planned drainage work.
- 2.4 GYFC does not require exclusive use of the site, although at present they are the sole occupants and their developments will not prevent public access. The club do not have the capacity to take responsibility for the whole site and has no plans to sub-let as they need all of the pitches for their own teams. They do anticipate adding a further senior pitch to those they already have.

- 2.5 There is a need for an urgent decision on this matter as Sport England may request that the allocated funding is returned, although they have not done so to date as they wish to see the project completed as soon as possible.

3. Key Issues

- 3.1 GYFC is a very successful voluntary organisation that has already improved facilities and opportunities in the local community, particularly for young people. If they are unable to establish the necessary lease agreement they may have to return their funding and will therefore be unable to make further improvements to the site.
- 3.2 Under the Council's current adopted Asset Transfer Policy, all agreements shall contain a break option in favour of the Council, in the unlikely but possible event that the asset transferred by way of a lease or licence is required for wider community development directly (the asset or surrounding site itself) or indirectly (for the benefit of a capital receipt)
- 3.3 Without any break options contained within the lease, the Council will only be able to terminate the agreement before the expiry of the fixed 25 year term if GYFC are in breach of their obligations under the terms of the agreement.
- 3.4 The site is currently allocated as Urban Greenspace under Rotherham's adopted Unitary Development Plan and has been identified within the Council's Local Plan, which sets out a long-term development strategy for Rotherham. The site has been included as part of sites LDF0174 and LDF0175 with a potential allocation for continued use as urban greenspace.

4. Options considered and recommended proposal

- 4.1 The options considered are as follows;
- 4.2 **Option 1** - Do not grant GYFC the required lease and request that they continue in occupation on the existing agreement. This option has been discounted, as without the required lease in place the grant funding will not be forthcoming and the benefits to both GYFC and the development of the site will not be realised.
- 4.3 **Option 2** – Grant the requested 25 year lease without break options. This option is the recommended option, as this will allow GYFC to secure the grant funding as detailed above.
- 4.4 It is recommended that the Assistant Director - Planning, Regeneration and Transport negotiates the terms of the proposed lease and that the Assistant Director of Legal Services completes the necessary documentation without the inclusion of the break clauses.

5. Consultation

- 5.1 Consultation has been carried out with Wingfield Ward Members and the Cabinet Member for Business and Regeneration as part of the Capital Strategy and Asset Review Team report, which was considered on 18th December 2014. No objections were raised during this consultation.
- 5.2 Rotherham North Area Assembly, local members and Friends of Greasbrough Parks have previously offered their support to the club and the funding applications.

6. Timetable and Accountability for Implementing this Decision

- 6.1 Once approval has been granted to recommendations 1.1 and 1.2 above, negotiations to agree the terms of the lease will commence immediately.

7. Financial and Procurement Implications

- 7.1 Greasbrough Youth Football Club has paid the following Council fees for the granting of the lease agreement, upfront as a contribution:

Surveyors Fee(s): £500
Legal Services: £500

- 7.2 It is anticipated that this contribution will be sufficient to cover all costs incurred by the Council on the granting of the lease.
- 7.3 Under the terms of the existing licence agreement, the Club is responsible for all costs associated with the playing fields, including the cost of grounds maintenance.

8. Legal Implications

- 8.1 Without any break clauses contained within the lease, the Council will be unable to terminate the agreement before the expiry of the fixed 25 year term, in the eventuality that it is ever required for wider community development directly (the asset or surrounding site itself) or indirectly (for the benefit of a capital receipt). The Council will only be able to terminate the lease if GYFC are in breach of their obligations under the terms of the agreement.

9. Human Resources Implications

- 9.1 Not applicable.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 The granting of the lease agreement without the inclusion of break-clauses will enable GYFC to secure grant funding to allow for drainage works to be undertaken to the site will improve a popular community facility for the benefit of Children and Young People.

11. Equalities and Human Rights Implications

11.1 None considered.

12. Implications for Partners and Other Directorates

12.1 The Leisure and Green Spaces Team within Culture, Sport & Tourism will be responsible for the monitoring of the service level agreement contained within the lease agreement for the continued future maintenance of the site.

13. Risks and Mitigation

13.1 There are risks associated with the proposed recommendations through non-compliance with the lease and service level agreement.

13.2 If GY FC is not granted a 25 year lease without breaks, then they will be unable to secure the necessary funding from Sport England. This could jeopardise the long term community aims and objectives of the group, and would also hinder any attempts to obtain funding from alternative sources.

14. Accountable Officer(s)

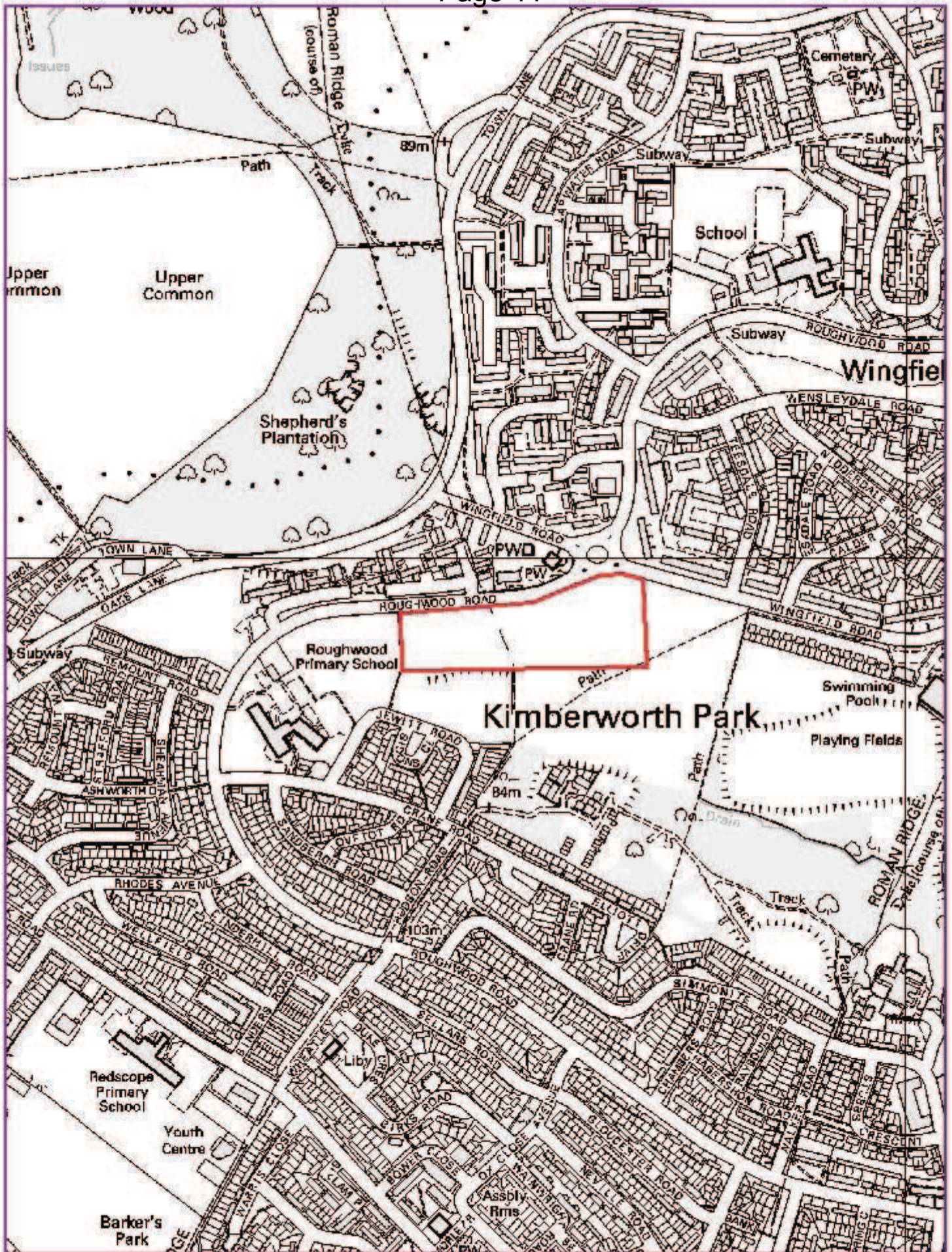
Damien Wilson, Strategic Director Regeneration & Environment

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:-
Jon Baggaley, Finance Manager, Regeneration & Environment

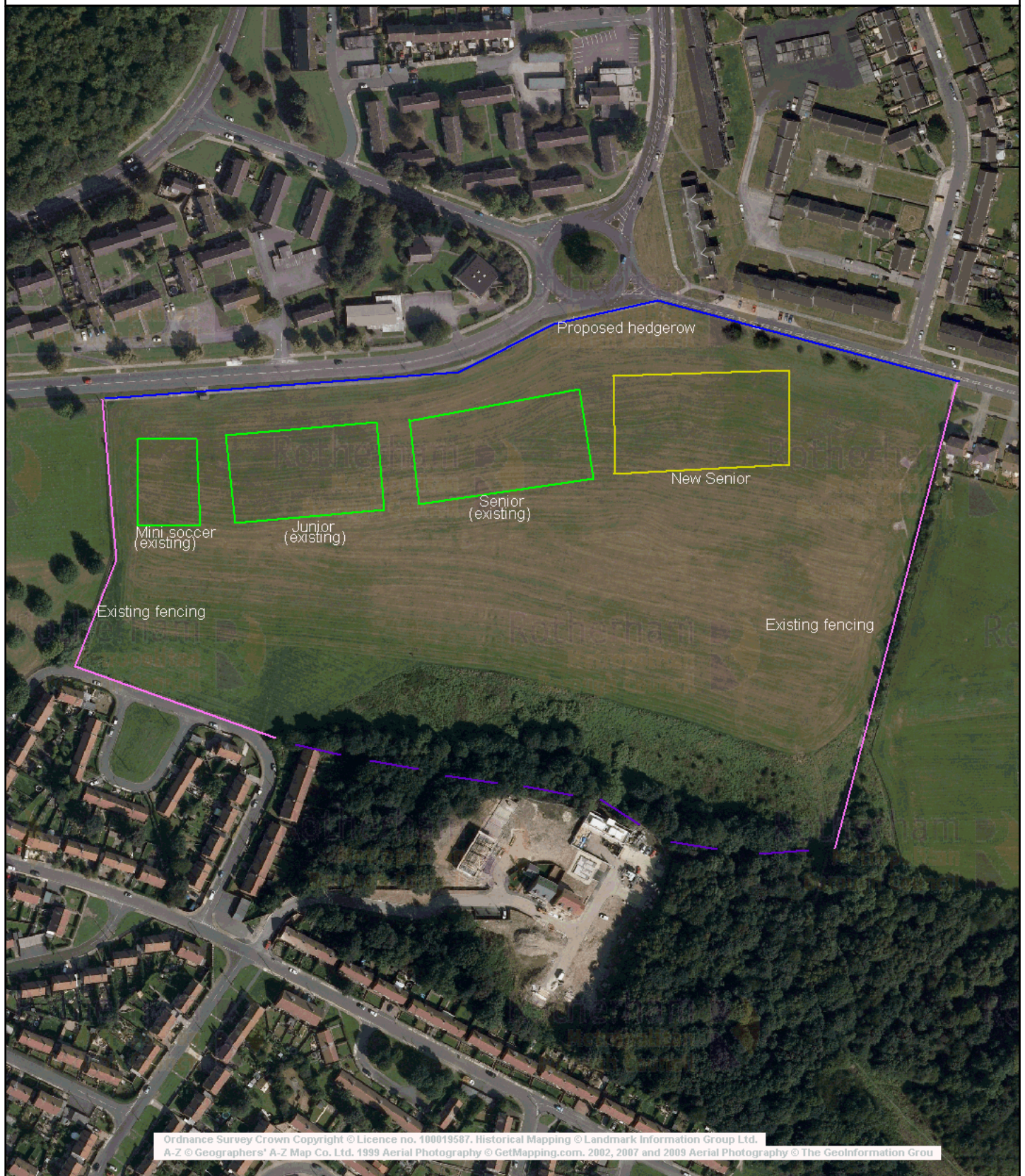
Assistant Director of Legal Services:-
Stuart Fletcher, Service Manager (Commercial and Governance)

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Roughwood Rd Playing Fields, Kimberworth Park



Public Report

Cabinet and Commissioners' Decision Making Meeting

Summary Sheet**Council Meeting:**

Cabinet and Commissioners' Decision Making Meeting - 13 February 2017

Title:

In- House Residential Care Charges 2017/18

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

Yes

Strategic Director Approving Submission of the Report

AnneMarie Lubanski – Strategic Director of Adult Care and Housing

Report Author(s)

Mark Scarrott – Finance Manager – Adult Care and Housing

Ward(s) Affected

All

Summary

The Council has a statutory duty to set a maximum charge for residential care accommodation provided in Local Authority Homes. This charge can only be set up to the cost of providing the service.

This report recommends an increase to the charge to service users for the provision of in-house residential care for older people in 2017/18 in line with the increase in state pension and a reduction in charge for Learning Disabilities residential and respite care users based on the actual cost of providing the service.

Recommendations

1. That approval be given to an increase of 2.5% to the weekly maximum charge for In-House residential care for the Older People for 2017/18.
2. That approval be given to a reduction in charges for Learning Disabilities in-house residential and respite provision for 2017/18 as shown in Appendix A.

List of Appendices Included

Yes – Appendix A

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: In-House Residential Care Charges 2017/18

1. Recommendations

- 1.1 That approval be given to an increase of 2.5% to the weekly maximum charge for In-House residential care for the Older People for 2017/18.
- 1.2 That approval be given to a reduction in charges for Learning Disabilities in-house residential and respite provision for 2017/18 as shown in Appendix A.

2. Background

- 2.1 In accordance with its statutory duty, the Council is required to set a maximum charge for residential care accommodation it provides in Local Authority Homes for:
 - Those service users who have been financially assessed according to their ability to pay and as a result are required to pay the maximum charge i.e. have savings/assets of more than £23,250. Currently this affects 16 people.
 - Those service users who refuse to provide details of their financial circumstances.
 - Those service users who are placed and financially supported by another Local Authority. Currently this affects 1 person.
- 2.2 All other service users with savings of £23,250 or less will be financially assessed according to the income they receive which is generally made up of retirement pension and/or welfare benefits. This current upper capital threshold limit is a statutory level under the Care Act 2014 and below this level service users are financially assessed on a sliding scale. Where savings fall below the lower capital limit of £14,250, they will not be required to contribute towards the cost of providing their care and support. The average service user contribution is currently around £286 per week.
- 2.3 The Government announced as part of the Autumn Statement that state pensions were to increase by 2.5% from April 2017 in line with the highest figure of inflation, earnings growth or 2.5%.

3. Key Issues

- 3.1 The Directorate is required to review its fees and charges as part of the annual budget setting process, taking into account the current financial position and the relative cost of providing care.

4. Options considered and recommended proposal

4.1 Homes for Older People

4.1.1 Option 1 – no increase

The Council operates two residential care homes with a mix of residential and nursing care (67 beds) and intermediate care provision (53 Beds). The services are currently under review as part of the Adult Services development programme and the number of residential and nursing care beds has reduced to accommodate additional provision of intermediate care within both homes. Under the Care Act 2014 the Council cannot charge for intermediate care services as the funding for Intermediate Care provision forms part of the Better Care Fund. This option would maintain the maximum charge for all local authority residential care homes at £550 per week; no increase for the second successive year.

There are currently 17 service users who are required to pay the maximum charge.

4.1.2 Option 2 – increase by 2.5%

This option would increase the maximum charge in line with the increase in state pension by 2.5% from April 2017. The maximum chargeable would increase from £550 to £564 per week, which will contribute towards the increase in cost of running the residential care homes by generating approximately £12,400 additional income in a full year, based on the current number of service users who pay the maximum charge.

4.2 Homes for clients with a Learning Disability

4.2.1 The proposed revised charges for service users with Learning Disabilities as limited immediate impact as there are currently no service users who pay the maximum charge. Attached at Appendix A are details of the proposed revised charges. Parkhill Lodge is a 22 bed residential care unit. Quarryhill Road and Treefield Close are both 6 bedded units providing short term respite care. These charges reflect the actual unit costs of providing the services which have reduced due to service efficiencies and is therefore reflected in the revised charge for 2017/18.

5. Consultation

5.1 No consultation is required where charges remain the same, reduced or increased in line with annual benefits or state pension increases.

6. Timetable and Accountability for Implementing this Decision

6.1 The recommendations if agreed will be effective from April 2017.

7. Financial and Procurement Implications

- 7.1 The Council is required to review its fees and charges as part of the annual budget setting process. Under the Care Act 2014, the Council cannot charge more than the cost of providing the service. The current cost of in house residential care for Older People is £745 per week. The proposed increase in charge to £564 will mean a subsidy of £181 per week or £160k per annum, which is accounted for within the revenue budget. In previous years charges have been aligned with the increase in pensions/welfare benefits, which for older people will increase by 2.5% from April 2017. This increase has been considered as part of the Council's budget proposals.
- 7.2 All service users are subject to a financial assessment to determine the amount they will contribute to the cost of their service. The proposed increase for homes for Older People will fully affect 17 service users who pay the full charge and generate additional income of approximately £12,400 per year.
- 7.3 There are currently no service users who currently attend in-house Learning Disability residential and respite services who pay the full charge. The proposed charges reflect the actual cost of providing the service. In terms of short term respite care the average length of stay is currently between 3 and 4 days.

8. Legal Implications

- 8.1 Section 14 of the Care Act 2014 gives local authorities a general power to charge for certain types of care and support, at their discretion. However, if local authorities do exercise this power, they may not charge a person more than what it costs to provide or arrange the care and support. The recommendations in this report are consistent with that lawful exercise of that power.

9. Human Resources Implications

- 9.1 This report has no direct implications for human resources for Rotherham MBC.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 There are no implications for children and young people as a result of the recommendations made in this report.

11. Equalities and Human Rights Implications

- 11.1 The recommendations in this report if accepted contribute to supporting the viability of Rotherham's care homes that support vulnerable older people and the provision of high quality care.

12. Implications for Partners and Other Directorates

- 12.1 There are no implications for partners or other directorates.

13. Risks and Mitigation

- 13.1 In accordance with established practice, all the charges are based on estimated cost and budgeted occupancy levels, so that residents can be advised of the revised charges as near to the date they become effective. It should also be noted that the actual cost of providing the service can fluctuate dependent on the actual level of occupancy and the income received from service users paying full cost.

14. Accountable Officer(s)

Strategic Director of Adult Care and Housing: AnneMarie Lubanski.

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:-
Stuart Booth

Assistant Director of Legal Services:-
Neil Concannon

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

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

Adult Services

IN HOUSE RESIDENTIAL CARE CHARGES – 2017/2018

Maximum Charge per week for people accommodated in residential care homes:

SERVICE	Budgeted Occupancy Levels	Charges 2016/2017	Charges 2017/2018	Change in Maximum Charge from 2016/17
	%	£	£	£
Homes for Older People	98	550.00	564.00	14.00
Learning Disabilities:-				
Parkhill Lodge	98	637.17	620.43	-16.74
Quarryhill Road	95	1438.12	1306.53	-131.59
Treefield Close	95	1438.12	1306.53	-131.59

Public Report
Cabinet and Commissioners' Decision Making Meeting

Summary Sheet

Council Meeting:

Cabinet and Commissioners Decision Making Meeting – 13 February 2017

Title:

Older People Independent Sector Care Homes – Annual Inflationary Fee Uplift
2017/18

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

Yes

Strategic Director Approving Submission of the Report

Anne Marie Lubanski Director of Adult Care and Housing

Report Author(s)

Jacqueline Clark – Operational Commissioning Manager

Ward(s) Affected

All

Summary

The purpose of this report is to agree the level of increase in fees for the Independent Sector Residential and Nursing Care Providers (people over 65 years) for the financial year 2017-18. The paper proposes 2 options to be considered against the context of the Rotherham Care Home Market. The details of the cost, associated impact and risk and how each option was arrived at are contained within section, 4 and 7 of this report.

Recommendation

That approval be given to the preferred Option 2, which constitutes a 3.5% increase to be applied to the Residential, Residential Elderly Mentally Infirm and the Nursing care fee component and a 0% increase to be applied to Nursing Elderly Mentally Infirm care fee component.

List of Appendices Included

Nil

Background Papers

Care Act 2014 Statutory Guidance for Implementation

<https://www.gov.uk/government/publications/care-act-2014-statutory-guidance-for-implementation>

Care Quality Commission – The State of Health and Adult Social Care – 2015/16

http://www.cqc.org.uk/sites/default/files/20161019_stateofcare1516_web.pdf

Consideration by any other Council Committee, Scrutiny or Advisory Panel

N/A

Council Approval Required

No.

Exempt from the Press and Public

No.

Title: Older People Independent Sector Care Home – Annual Inflationary Fee Uplift 2017/18

1. Recommendations

- 1.1 That approval be given to the preferred Option 2 which constitutes a 3.5% increase to be applied to the Residential, Residential Elderly Mentally Infirm and the Nursing care fee component and a 0% increase to be applied to Nursing care fee component.

2. Background

- 2.1 There are a total of 35 independent sector care homes (owned by 25 Organisation's) contracted to support older people in Rotherham. They provide a range of care types categorised as Residential Care, Residential Care for people who are Elderly and Mentally Infirm, Nursing Care and Nursing Care for people who are Elderly and Mentally Infirm.
- 2.2 The independent sector care home market in Rotherham provides 1779 beds and accommodates around 1593 older people Rotherham MBC is the dominant commissioner and purchaser with the majority of the resident population placed by Rotherham MBC. There is currently a vacancy factor of 186 beds or 10.5% of the total capacity.

Of the total care home population (1593 older people) around:

- 26% (409 people) are private paying clients including from out of Borough.
- 4.5% (72 people) are placed and funded by other local authorities'.
- 62% (987 people) are placed and funded by Rotherham MBC – this includes people who receive funded nursing care.
- 7.5% (125 people) are placed and funded by our health partners under continuing health care arrangements (fully funded by health).

2.3 Occupancy levels by care type:

The care home market requires a high occupancy rate to be sustained in each individual care home setting to help facilitate and maintain operational profitability. The table below shows typical occupancy rates in Rotherham's care home market by care type. There is high occupancy in nursing care type provision which is an area of increasing demand as a direct result of people living longer with more complex need.

Care Type	Occupancy by %
Residential	90
Nursing	95
Residential/Nursing	94
Residential Dementia Care	92
Nursing Dementia	95
Residential/Nursing Dementia	90
Residential/Residential Dementia	90
Nursing/Nursing Dementia	89

Rotherham MBC's strategic direction is to maintain people with care needs in their own home as long as it is safe to do so. This will require current provision to be replaced by alternative options of extra care schemes or enhanced home care which are being developed and will be available in the longer term.

Rotherham NHS Foundation Trust is required to carry out timely discharge of patients to alternative forms of care and prevent admission to acute bed capacity. A solution to increasingly complex care needs would be to increase nursing type capacity in the independent sector care home market. The high levels of occupancy in nursing type provision means there is a requirement to work with the Rotherham independent sector market to incentivise immediate growth in this area.

2.4 The pressures that the older people's care home market faces are well documented and are highlighted below:

- The impact of high nursing agency staff costs have been assuaged by the temporary increase in Funded Nursing Care fee from £112 to £156 in 2016. Funded Nursing Care supplements fees for residents who require a moderate level of nursing care (not Continuing Health Care).

The Department of Health has commissioned Mazars to undertake the review of the Funded Nursing Care fee and a report to the Department of Health will be available at the end of January 2017. There is currently no indication on the outcome of the review and the recommendations may include a reduction.

- The Government backed 'Centre for Work Intelligence' predicts that the NHS has 47,500 nurses less than it needs this year (2016). The enhanced terms and conditions of employment (pay, pensions, workplace support) offered by the NHS are a challenge for the independent sector market who are not able to compete to attract qualified nurses to work in care homes.
- The introduction of the National Living Wage in April 2016 set at £7.20/hr (for those aged 21 and over) will be increased by 4.17% as announced in the Autumn statement 2016 to £7.50/hr from April 2017.
- Compulsory employers' contribution to pension currently set at 1% up to April 2018 (rising to 3% by April 2019).
- Increasing high care requirements of residents for acute periods resulting in an intense demand on staff resource.

3. Key Issues

- 3.1 With the implementation of the Care Act from April 2014, local authorities have a duty to facilitate and shape their adult social care market to meet the needs of people who require care and support.

There is a requirement for the market to keep pace with demand and deliver high quality provision to the most vulnerable people in Rotherham. Both Rotherham MBC and our health partners require an adequate level of care home capacity at times of surge i.e. when there is a high activity of hospital discharges, planned or unplanned provider exit and in situations where embargoes are applied at poor quality care homes.

This report seeks approval to award an appropriate annual inflationary uplift which will support the sustaining of a high quality care home market providing appropriate environments and a skilled, competent, compassionate workforce for Rotherham's older people who require such service.

4. Options considered and recommended proposal

4.1 The report considers the following two annual inflationary uplift options:-

4.2 **Option 1 – No increase:**

Fees would remain at the current rate as at 2016/17. This option is not recommended as it does not support; the increase in the national living wage, higher premium for nursing care to meet complex needs and the increasing non staffing costs facing the sector. The current fee levels are contained in the table below:

2016/17	Residential Care	Residential Care Elderly Mentally Infirm	Nursing Care	Nursing Care Elderly Mentally Infirm
Option 1	417	451	421	518

4.3 **Option 2 - which constitutes a 3.5% increase to be applied to the Residential, Residential Elderly Mentally Infirm and the Nursing care fee component.**

The formulae used to calculate the level of fee increase takes into account 60% pay related cost and 40% non-pay cost. A 60% increase in National Living Wage of 4.17% is equal to **2.5%**. The non-pay related cost calculation is based on the Consumer Price Index (CPI) published at September 2016 by the Office of National Statistics (ONS) which was 1% and therefore is equal to **0.4%** using the formula. In addition a **0.6%** increase will accommodate the compulsory employer's pension contribution.

Option 2 also takes into account that the fees applied to residential, residential Elderly Mentally Infirm care and Nursing care in Rotherham are low in comparison to those paid in other Local Authorities (paragraph 5.2) and current fees for nursing Elderly Mentally Infirm provision compares favourably.

5. Consultation

- 5.1 There has been representation from the independent sector care home proprietors but there has been no formal challenge to date. Rotherham MBC has been consistent in their approach in previous years in awarding an inflationary uplift. However last year in 2016-17 an inflationary uplift was restricted to residential type care fee component and a slight increase on the nursing care fee component which was based on the amount of resource available.
- 5.2 Benchmarking with other LA's has been undertaken. The table below details indicative for comparison with Rotherham's current standard rate for 2016/17:

2016/17	Residential Care	Residential Care Elderly Mentally Infirm	Nursing Care*	Nursing Care Elderly Mentally Infirm*
Rotherham	£417	£451	£421	£518
Doncaster	£439	£439	£439	£486
Wakefield	£465	£465	£465	£465
Barnsley	£401	£434	£419	£424
Kirklees	£455	£475	£470	£491
Calderdale	£402	£457	£455	£497
Sheffield	£377 minimum - £425 maximum		£420 minimum - £439 maximum	

*Excluding Funded Nursing Care element at £156.25

In terms of benchmarking with Rotherham's nearest neighbours, Rotherham's current Residential, Residential Elderly Mentally Infirm and Nursing care fees are low in comparison but Rotherham MBC's Nursing Elderly Mentally Infirm fees are the highest.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The application of the agreed option will commence to coincide with the fiscal calendar and will be applied by the Strategic Director of Adult Care and Housing.

7. Financial and Procurement Implications

- 7.1 The financial implications for the two options are:

Option 1 – No increase = No additional cost to the Council

Option 2 – 3.5% increase residential, residential Elderly Mentally Infirm and nursing care fee component = £660k additional cost to the Council

- 7.2 The table below details the weekly fees aligned to each option for 2017/18:

2017/18	Residential Care	Residential Care Elderly Mentally Infirm	Nursing Care*	Nursing Care Elderly Mentally Infirm*
Option 1	417	451	421	518
Option 2	432	467	436	518

*Excluding Funded Nursing Care at £156.25

- 7.3 The application of option 2 would contribute to sustaining care homes that deliver nursing and residential dementia care which are the areas of high pressure and demand; and will continue to support continuation of provision of residential care until alternative care options are available. This option would ensure Rotherham MBC constrain cost pressures within available resources.

The cost of this option is £660k and is affordable within available resources and therefore it is the recommended option.

8. Legal Implications

- 8.1 There is strong support for the sector to increase local authority fee levels from influential organisations such as Laing & Buisson.
- 8.2 Section 5 of the Care Act 2014 establishes a duty on local authorities and Directors of Social Services to promote diversity and quality in the market of care and support providers of services available, offering a range of services shaped by the demands of individuals, families and carers, and that those services are of high quality, in order to meet the needs and preferences of people wanting to access service.
- 8.3 Section 48 of the Care Act requires that a local authority must for so long as it considers necessary meet an adult's (and their carers) needs for care and support when the registered care provider becomes unable to carry on the regulated activity in the authority's area.
- 8.4 In order to comply with those duties when setting fees, the Council needs to have due regard to the actual cost of care, in particular in relation to local factors. If it fails to do so there is a potential legal challenge from providers.

9. Human Resources Implications

- 9.1 This report has no direct implications for human resources for Rotherham MBC. However, the social care market employs many people on the National Minimum Wage. They now face the burden of an increase of 30 pence per hour to meet National Living Wage requirements in 2017/18.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 There are no implications for children and young people as a result of the recommendation made in this report. The recommendation will positively

impact on vulnerable older people in that it will contribute to the longer term financial stability of the care home market.

11 Equalities and Human Rights Implications

11.1 The recommendations in this report if accepted contribute to supporting:

- the financial viability of Rotherham's care homes that support vulnerable older people
- the provision of high quality care
- the care home market to meet its obligations under the Equality Act as an employer.

12. Implications for Partners and Other Directorates

12.1 Care Home capacity is secured by Rotherham MBC on behalf of our Health Partners. Failing to secure a viable care home market will negatively impact on our health partners who will be unable to manage admission/discharge arrangements for patients.

12.2 Rotherham CCG will be informed of the conclusion of this report in order that their review being undertaken around Continuing Health Care fees are aligned to complement the Rotherham MBC rates.

13. Risks and Mitigation

13.1 National organisations who own the larger care homes hold a majority market Share in Rotherham. Large care homes will have the biggest impact in provider failure situations. A sudden unplanned exit of a care provider from the market will place a burden on Rotherham MBC to sustain service to the most vulnerable people.

13.2 Approximately 70 nursing beds have been decommissioned over the previous 3 years against increasing demand for this type of care. There is a requirement to incentivise the market to increase capacity to enable an adequate response to demand.

13.3 In order to give proper consideration to the longer term financial viability of the independent sector care home market an assessment is being undertaken by the Strategic Commissioning Team. Work is to continue with providers to fully understand the cost of residential and nursing care. The conclusion of this assessment is expected in January and will be reported in March 2017. The outcome of this work will inform the future longer term financial planning and market shaping activity.

13.4 The independent sector contracted care home market is monitored for quality and compliance with standards by the strategic commissioning team. A reduction in quality of care delivered in a care home is an indication of financial distress. There are currently no indications of financial difficulties and monitoring continues with strategic oversight.

14. Accountable Officer(s)

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services:- Mark Scarrott

Director of Legal Services:- Neil Concannon

Head of Procurement (if appropriate):-

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Public Report
Cabinet and Commissioners' Decision Making Meeting

Council Report

Cabinet and Commissioners' Decision Making Meeting – 13 February 2017

Title

Corporate Plan 2016/17 Quarter 3 Performance Report

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

Yes

Directors Approving Submission of the Report

Sharon Kemp, Chief Executive

Shokat Lal, Assistant Chief Executive

Report author(s):

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Ward(s) Affected

All

Executive Summary

The Corporate Plan for 2016-17 was approved by Elected Members at the RMBC Council meeting on 13th July 2016. The plan represents the core document underpinning the Council's overall vision, setting out headline priorities, indicators and measures that will demonstrate its delivery. Alongside it sits a renewed corporate Performance Management Framework, explaining to all Council staff how robust performance monitoring and management arrangements are required (including service business plans) to ensure effective implementation.

To ensure the delivery of actions and their impact is assessed, formal quarterly performance reports are required to the public Cabinet and Commissioners' Decision-Making meeting, with an opportunity for pre-Scrutiny consideration in line with new governance arrangements. This report is the third in the 2016/17 reporting cycle covering quarter 3 (October to December 2016).

The Performance Report and Performance Scorecard (Appendices A and B) provide an analysis of the Council's current performance against 14 key delivery outcomes and 103 measures (the Corporate Plan includes 86 measures, however, a number of these include different measurable elements). This report is based on the position of available data at the end of December 2016, along with an overview of progress on key projects and activities which also contribute towards the delivery of the Corporate Plan.

At the end of the third quarter (October – December 2016) 25 measures are progressing above or in line with the target set. Although this represents 24.3% of the total number of measures, performance data shows that 43.9% of measures which have data available for the first quarter are on target. 28.1% (16) of performance measures measured this quarter have not progressed in accordance with the target set (15.5% overall).

Recommendations

1. That the overall position and direction of travel in relation to performance be noted
2. That discussion be given to measures which have not progressed in accordance with the target set and the actions required to improve performance, including future performance clinics
3. That the future performance reporting timetable for 2016/17 be noted.

List of Appendices Included

- Appendix A – Quarter 3 Performance Report
- Appendix B – Quarter 3 Performance Scorecard

Background Papers

- RMBC corporate 'Fresh Start' Improvement Plan, 26th May 2015
- RMBC corporate Improvement Plan, Phase Two Action Plan, June 2016
- RMBC Corporate Plan 2016–18 draft approved December 2015
- Performance Management Framework 2016-17
- RMBC Corporate Plan 2016-17 approved July 2016
- Corporate Plan 2016/17 Quarter 1 Performance Report
- Corporate Plan 2016/17 Quarter 2 Performance Report

Consideration by any other Council Committee, Scrutiny or Advisory Panel
None.

Council Approval Required
No

Exempt from the Press and Public
No

Title: Corporate Plan 2016/17 Quarter 3 Performance Report

1. Recommendations

- 1.1 That the overall position and direction of travel in relation to performance be noted
- 1.2 That discussion be given to measures which have not progressed in accordance with the target set and the actions required to improve performance, including future performance clinics
- 1.3 That the future performance reporting timetable for 2016/17 be noted.

2. Background

- 2.1 The Council's two-year corporate 'Fresh Start' Improvement Plan, agreed by Commissioners, Elected Members and central Government in May 2015, set out a specific objective for the Council to establish a new Corporate Plan and supporting Performance Management Framework.
- 2.3 Initial work took place in 2015 on an outline document and, following the arrival of the Chief Executive in February 2016, work took place with Cabinet Members, Strategic Directors, Assistant Directors, senior officers and performance leads to identify headline measures in order to refine a finalised Corporate Plan for 2016-17. This was approved at the RMBC Council meeting on 13th July 2016. An underpinning performance management framework was also published at the same time, with 2016-17 set out as a transitional year to introduce new performance management arrangements and ensure a more consistent approach to performance across the Council.
- 2.7 The first quarterly Performance Report (April – June 2016) in this new format was presented to the Cabinet and Commissioners' Decision Making meeting on 12th September 2016 (as well as the Overview and Scrutiny Management Board on 16th September 2016).
- 2.8 The Cabinet and Commissioners' Decision Making meeting considered the second quarter's results (July – September 2016) on 14th November 2016.

3. Key Issues

- 3.1 The Corporate Plan includes 86 measures. However, a number of these include different measurable elements, resulting in there being 103 in total. The measures sit under 14 key delivery outcomes, which form the priority actions under each of the vision priorities:
 - *Every child making the best start in life*
 - *Every adult secure, responsible and empowered*
 - *A strong community in a clean, safe environment*
 - *Extending opportunity, prosperity and planning for the future*
- 3.2 These four priorities are underpinned by a fifth, cross-cutting commitment to be a *modern and efficient Council*.

- 3.3 The 2016/17 Corporate Plan sets out the vision, priorities and measures to assess progress against the Council's overall vision. Through the guidance and direction set out in the supporting Performance Management Framework, relevant plans will be in place at different levels of the organisation to provide the critical 'golden thread' that ensures everyone is working together to achieve the Council's strategic priorities.
- 3.4 The enclosed performance report (Appendix A) sets out how the Council has performed in the third quarter of 2016/17 (October – December 2016) to deliver the five headline priorities of the Corporate Plan. The report provides an overview of progress and exceptions (good/improved performance and areas of concern) as well as wider information, key facts and intelligence such as customer feedback, quality assurance, external regulation and specific case study information to demonstrate what has been achieved to deliver the vision.
- 3.5 The enclosed quarter three performance scorecard (Appendix B) provides a summary of the Council's performance against all 103 performance measures. Commissioners and Cabinet Members are asked to note that a front-page "dashboard" has been developed for this version of the scorecard, in an attempt to respond to the request from elected members when considering the quarter one and two reports that it would be helpful to have a visual means of summarising the key performance headlines.
- 3.6 At the end of the third quarter (October – December 2016), 25 measures are progressing above or in line with the target set. Although this represents 24.3% of the total number of measures, performance data shows that 43.9% of measures which have data available for the first quarter are on target. 28.1% (16) of performance measures measured this quarter have not progressed in accordance with the target set (15.5% overall).
- 3.7 28.1% (16) of performance indicators measured this quarter have not progressed in accordance with the target set (15.5% overall) and 20.3% (14) have seen a negative direction of travel (13.6% across the whole of the Corporate Plan). This is a deterioration in performance when compared to 24.1% of measured indicators not hitting their targets in quarter 2. However, direction of travel is more positive compared to the 32.3% of indicators which previously had a negative direction of travel.
- 3.8 15.5% of measures (16 in total) are rated as 'measure not applicable for target' and 28.2% of measures (29 in total) are rated as 'measure information not yet available' due to a number of measures which are annual, termly or 6 monthly. In some circumstances interim data is available to demonstrate whether or not the Council is on track to achieve the annual target, however, for others the Performance Report provides an overview of progress to assure Cabinet/Commissioners that progress is being made.

- 3.9 Commissioners and Cabinet Members will recall that the Corporate Plan includes five staff values and behaviours which capture in one place how everyone in the Council is expected to act and behave, including with customers and partners. Roll-out of the values commenced in September 2016 with staff briefings, articles in Take 5, a new screensaver and launch of employee awards nominations, particularly recognising those openly living the values. The Big Hearts Big Changes Awards also took place on 24th November. Further roll out phases will see the behaviours incorporated within the PDR arrangements for all council staff.
- 3.10 The final, quarter four Corporate Plan performance report (covering January to March 2017 data) is scheduled to be considered at the Cabinet and Commissioners' meeting on 12th June 2017. It is envisaged that, by this stage, a refreshed corporate plan for the Council for 2017/18 and beyond will be being finalised to ensure continuity in delivering the Council vision.

4. Options considered and recommended proposal

- 4.1 It is recommended that Cabinet and Commissioners review the overall position, direction of travel and general progress made to deliver against the key delivery outcomes in the 2016/17 Corporate Plan; and provide feedback regarding action required in relation to areas of poor and positive performance.

5. Consultation

- 5.1 The Council consulted with 1,800 members of the public to develop the new vision for the borough during the summer of 2015 and set out in October 2015 (set out in the published "Views from Rotherham" report). During 2016/17 the Leader and Chief Executive have held a number of staff briefing sessions, which have included an updates on the Corporate Plan.
- 5.2 A presentation on the first version of a new Corporate Plan was made to Overview and Scrutiny Management Board on 26th November 2015, with this formally considered by members at the Council meeting on 9th December 2015 and approved on 13th July 2016. As work has progressed on the finalised plan a number of presentations and discussions took place with the Council's managers; and regular discussions on the developing plan took place with Strategic and Assistant Directors, Cabinet Members and Commissioners throughout the process.
- 5.5 The quarterly reporting template and performance scorecard has been developed in consultation with performance officers, the Strategic Leadership and Cabinet Members. The first quarterly performance report was presented to the Cabinet and Commissioners' Decision Making meeting on 12th September and the Overview and Scrutiny Management Board (OSMB) on 16th September. The quarter two performance report was considered at the Cabinet and Commissioners Decision Making meeting on 14th November 2016.

6. Timetable and Accountability for Implementing this Decision

- 6.1 This is the third quarterly Performance Report. The quarter four performance report will be presented to Cabinet and Commissioners on 12th June 2017.

7. Financial and Procurement Implications

- 7.1 The Corporate Plan helps steer the use of Council finances going forward, balanced against the wider funding backdrop for the Council and the broader national local government finance and policy context.
- 7.2 The Council operates in a constantly changing environment and will need to be mindful of the impact that changes in central Government policy, forthcoming legislation and the changing financial position of the authority will have on its ability to meet strategic, corporate priorities and performance targets; and that ambitions remain realistic. This will need to be reflected in the refresh of the Council's corporate plan for 2017/18 onwards.

8. Legal Implications

- 8.1 While there is no specific statutory requirement for the Council to have a performance management framework and corporate plan, being clear about the Council's ambitions gives staff, partners, residents and central Government a clearer understanding of what it is seeking to achieve and how it will prioritise spending decisions.
- 8.2 An effective and embedded corporate plan is also a key part of the Council's ongoing improvement journey in response to Government intervention at the Council.

9. Human Resources Implications

- 9.1 There are no direct Human Resources implications as a result of this report, though the contribution HR makes to a fully functioning organisation and dynamic workforce is set out within the plan and Performance Report (priority 5 – a modern, efficient Council). Continued roll out of the values and behaviours contained within the 2016/17 Corporate Plan requires engagement with all sections of the workforce and it is a key role for managers across the organisation, led by the Chief Executive and Strategic Leadership Team.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 The Corporate Plan has a core focus on the needs of children and young people and vulnerable adults, including a focus on establishing Rotherham as a 'child-centred' borough (Priority 1).

11. Equalities and Human Rights Implications

- 11.1 Ensuring that the Council meets its equalities and human rights duties and obligations is central to how it manages its performance, sets its priorities and delivers services across the board.

- 11.2 A new corporate Equalities and Diversity Policy was adopted by Council on 13th July 2016 which clarifies the associated duties of the Council in delivering the aims and ambitions of its corporate plan and supporting service business planning processes. A more detailed strategy and action plan – “Equality for All” – has also been developed to further support Council action and focus in line with its equalities and diversity duties and ambitions.

12. Implications for Partners and Other Directorates

- 12.1 Partnership working is central to the delivery of the Corporate Plan. Where partners are integral to delivery this is set out in the relevant performance narratives.
- 12.2 A formal partnership structure for Rotherham was re-established during 2015/16 with the formation of the new ‘Rotherham Together Partnership’ (RTP). An initial, 12 month RTP Action Plan was launched in March 2016 and partners are now finalising a new, longer-term community strategy to come into force from 2017/18. This will describe how local partners plan to work together to deliver effective, integrated services, making best use of their collective resources. This partnership plan will also need to inform future assessment of the Council’s own corporate plan from 2017/18 onwards.

13. Risks and Mitigation

- 13.1 Within the performance report there are two sections relating to risks under each of the key delivery outcomes. These include the ‘exceptions’ and ‘risks and challenges ahead’ sections. Within the performance scorecard all measures which have not progressed in accordance with the target set are clearly marked with a red cross. Directorates are also responsible for ensuring that any significant risks are also addressed via Directorate and Corporate Risk Registers.
- 13.2 The Strategic Risk Register is structured to identify and mitigate strategic risks aligned to the Corporate Plan. The process of updating and identifying strategic risks is designed to enable the Council to manage risks connected to the Corporate Plan. Each risk area is reviewed every six weeks.

Accountable Officer:

Sharon Kemp, Chief Executive

Approvals Obtained from:

Head of Human Resources:

Sue Palfreyman

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

RMBC CORPORATE PLAN 2016-17

PERFORMANCE REPORT

Period:

Quarter 3 (September – December 2016)

About this report:

This report sets out how the Council has performed in the third quarter of 2016/17 to deliver the four headline priorities for Rotherham as set out in the Corporate Plan. It brings together headline performance measures with wider information, key facts and intelligence to explain how the Council is working and performing to deliver its vision for Rotherham.

The Council's 4 Priorities:

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

These four priorities are underpinned by a fifth, cross-cutting commitment to be a *modern and efficient Council*.

This report focuses on the headline performance measures associated with these key priorities. Through directorate and service teams the Council carries out wider work that is subject to further measures of performance and quality, which are addressed and managed through Directorate- and Service-level Business Plans. This report is intended to provide an overview of the contribution that the Council makes across all of its activities to improving Rotherham as a place to live, work and spend time.

Headline narratives:

The Council's Corporate Plan for 2016/17 sets out the outcomes and headline measures that demonstrate performance against the four priorities that the Council works towards in order to create a safer, healthier and more prosperous Rotherham.

Every child making the best start in life We are working to ensure that Rotherham becomes a child-centred borough, where young people are supported by their families and community, and are protected from harm. We will focus on the rights and voice of the child; keeping children safe and healthy; ensuring children reach their potential; creating an inclusive borough; and harnessing the resources of communities to engender a sense of place. We want a Rotherham where young people can thrive and go on to lead successful lives. Children and young people need the skills, knowledge and experience to fully participate in a highly skilled economy.	Every adult secure, responsible and empowered We want to help all adults enjoy good health and live independently for as long as possible and to support people to make choices about how best to do this. We want a Rotherham where vulnerable adults, such as those with disabilities and older people and their carers, have the necessary support within their community.
A strong community in a clean safe environment We are committed to a Rotherham where residents live good quality lives in a place where people come together and contribute as one community, where people value decency and dignity and where neighbourhoods are safe, clean, green and well-maintained.	Extending opportunity, prosperity and planning for the future We are building a borough where people can grow, flourish and prosper. We will promote innovation and growth in the local economy, encourage regeneration, strengthen the skills of the local workforce and support people into jobs. We want a Rotherham where residents are proud to live and work.
Running of a modern, efficient Council This underpins the Council's ability to deliver the vision for Rotherham. It enables local people and the Government to be confident in its effectiveness, responsiveness to local need and accountability to citizens. A modern, efficient council will provide value for money, customer-focused services, make best use of the resources available to it, be outward looking and work effectively with partners.	

The Council's headline outcomes

The report is focussed around the following key delivery outcomes which the Council is seeking to achieve in delivering the vision for the borough.

Priority	Outcome
Priority 1 - Every child making the best start in life	A. Children, young people and families are protected and safeguarded from all forms of abuse, violence and neglect
	B. Children and Young people are supported to reach their potential
	C. Children, young people and families are enabled to live healthier lives
Priority 2 - Every adult secure, responsible and empowered	A. Adults are enabled to live healthier lives
	B. Adults and carers are supported to be safe, independent and resilient within a personalised model of care and support
Priority 3 - A strong community in a clean, safe environment	A. Communities are strong and people feel safe (<i>also contributes to priority 2 – Every adult secure, responsible and empowered</i>)
	B. Streets, public realm and green spaces are clean and well maintained
Priority 4 - Extending opportunity, prosperity and planning for the future	A. Businesses supported to grow and employment opportunities expanded across the borough
	B. People live in high quality accommodation which meets their need, whether in the social rented, private rented or home ownership sector (<i>also contributes to priority 2 – Every adult secure, responsible and empowered</i>)
	C. Adults supported to access learning improving their chances of securing or retaining employment
Priority 5 - Running a modern, efficient Council	A. Maximised use of assets and resources and services demonstrate value for money
	B. Effective governance arrangements and decision making processes are in place
	C. Staff listen and are responsive to customers to understand and relate to their needs
	D. Effective members, workforce and organisational culture

This report is based on the headline measures that Council directorates have identified that demonstrate progress in achieving the above outcomes.

Key to performance monitoring

The following symbols are used in this report to show how the council is performing in line with the measures and targets it has set:

Overall status (relevant to target)



Measure progressing above or in line with target set



Measure progress has been satisfactory but is not fully reaching target set



Measure has not progressed in accordance with target set



Measure under development (e.g. awaiting data collection or target-setting)



Measure not applicable for target (e.g. baseline year, or not appropriate to set a specific target)



Measure information not yet available (e.g. due to infrequency or timing of information/data)

Direction of travel (dependent upon whether good performance in high or low)



Numbers have improved



Numbers are stable



Numbers have got worse



Direction of travel not applicable

Executive summary

The 2016/17 Corporate Plan includes a total of 103 measures:

- 21 measures with monthly data
- 31 measures with quarterly data
- 6 measures with termly data
- 7 measures with 6-monthly data
- 37 measures with annual data
- 1 measure with biennial data

At the end of the third quarter (September – December 2016) **25 measures are progressing above or in line with the target set**. Although this represents 24.3% of the total number of measures, performance data shows that **43.9% of measures which have data available for the third quarter are on target** (a rise from the 39.7% in the last quarter). The **direction of travel is positive for 47.8%** (33) of the indicators measured this quarter, which is a rise on the 43.1% in the last quarter.

29.8% (17) of performance measures which have the measurable data this quarter have *not* progressed in accordance with the target set (16.5% overall); and **23.2% (16) have seen a negative direction of travel** (15.5% across the whole of the Plan). This is a deterioration in performance when compared to 24.1% of measured indicators not hitting their targets in quarter 2. However, direction of travel is more positive compared to the 32.3% of indicators which previously had a negative direction of travel.

16.5% of measures (17 in total) are rated as ‘measure not applicable for target’; and 28.2% of measures (29 in total) are rated as ‘measure information not yet available’ due to a number of indicators which are annual, termly or 6 monthly. In some circumstances interim data is available to demonstrate whether or not the Council is on track to achieve the annual target; however, for others, the Performance Report narrative provides an overview of progress to help assure Cabinet and Commissioners that progress is being made and/or appropriate action is being taken.

The Council has identified **32 Priority Measures**, of which data is available for 21. For the remaining 11 indicators, eight are subject to annual reporting and there are three where there is no specific target. Of the 21 that have data available, 9 (43%) are currently hitting their targets, and 8 (39%) are currently missing targets. The remaining 4 (19%) are on track but not yet hitting target. Direction of travel data is available for 23 priority measures. 9 priority measures (39%) are currently showing improving direction of travel, with 8 (35%) declining and 6 (26%) stable.

In summary the overall performance picture is clearly influenced by where monitoring data is available (which differs from quarter to quarter) - but shows a more polarised position with positive overall improvement in measures progressing in line or above targets, offset by the increase in those *not* progressing in line with expectations (and fewer measures “in the middle”).

Priority 1 - Every child making the best start in life

- 4 measures (23.5% of those measured this quarter) are progressing above or in line with target set
- 9 measures (53% of those measured this quarter) progress has been satisfactory but is not fully reaching target set
- 4 measures (23.5% of those measured this quarter) have not progressed in accordance with target set
- 5 measures targets are not applicable
- 5 measures do not yet have data available due to the infrequency/timing of the data

Improvement continues to be made across the priority area to ensure that every child makes the best start in life. In particular, **the percentage of young people aged 16 to 18 who are 'Not in Education, Employment or Training' (NEET)** continues to hit its target; and the **percentage of referrals to Child and Adolescent Mental Health Service (CAMHS) which are triaged for urgency within 24 hours of receipt** remains at 100%, sustaining the improved performance in quarter two.

The increase in the proportion of children who are cared for in a family setting (priority measure) is now on track to achieve its target by the year-end; and figures have improved markedly from quarter two's performance of 81.1%, to a new level of 86.5% in this quarter.

However, there continue to be areas which require improvement and a number of actions and interventions are currently being implemented, as outlined in the Children and Young People's Services Improvement Plan. The **% of Child and Adolescent Mental Health Service (CAMHS) triaged referrals assessed within 3 weeks** is still an area of concern and current performance has fallen to 26.3% in quarter three, compared to 28% in quarter two. This is well below the target of 95%. Additional staff were appointed in December 2016 and a series of actions are in place to improve matters for the final quarter.

The **percentage of children who have had a social care concern raised within 12 months of the last concern ending (priority measure)** is now at 25.3% against the target of 23%; and, although missing the target, has improved significantly from the 31.6% at the end of Quarter 2. It remains, however, higher than the national average and a number of initiatives are in place to further improve performance for the final quarter.

% of children who are subject to repeat child protection plans (priority measure) continues to miss its target and performance has decreased in quarter three. Work continues in the service to assess the quality of plans and to ensure that they are only ceased when children and young people are no longer at risk.

There had been **15 prosecutions for Child Sexual Exploitation** offences in the financial year to 31st December 2016.

Priority 2 - Every adult secure, responsible and empowered

- 5 measures (62.5% of those measured this quarter) are progressing above or in line with target set
- 1 measures (12.5% of those measured this quarter) progress has been satisfactory but is not fully reaching target set
- 2 measure (25% of those measured this quarter) has not progressed in accordance with target set
- 6 measures targets are not applicable
- 9 measures do not yet have data available due to the infrequency/timing of the data

Some measures are only available up to 30th November 2016, due to the transfer of data over to the new Liquid Logic system. However, the data available indicates good progress continues to be made in a number of measures and that the overall majority of measures are on track to achieve the targets set. **Delayed transfers of care from hospital (priority measure)** and the **number of carer's assessments**, however, remain areas of concern in quarter three.

The direction of travel for the **number of carer's assessments** remains a cause for concern. Performance was reported as 164 for the first two months of the quarter, compared to 341 in quarter 2 and 430 in quarter one. Action is in hand to address this reduction in the figures and a partnership event took place on 24th January 2016 to help identify the challenges to be overcome.

Average delayed transfers of care from hospital (DTC), is coming under pressure and figures show a downward switch in direction of travel based on the available November data. Local 'on the ground' experience of delays has resulted in the hospital operating at over 100% bed capacity, which means patients are not getting admitted on to wards and trolley waits have been a day-to-day occurrence.

Increasing the **number of people with learning disabilities supported into work** is still a high priority and the indicator is still not fully reaching the 6% target set, although performance is improving.

There is no data available for 2016/17 **Public Health** due to its frequency being annual, however the most recent data shows that the prevalence of **smoking and physical inactivity** have both reduced since 2012. The recent increase in **suicide rates** is a cause for concern.

Crisis loans data for the quarter shows a further reduction, with 109 issued over the period (compared to 130 in quarter 2 and 248 in quarter 1). Reasons for this trend are being discussed with Laser credit union (with their temporary accommodation for much of 2016 likely to have been a factor). The numbers of **food in crisis** parcels issued has, however, continued at broadly the monthly amount as experienced in the year so far, with 787 provided in the quarter. This means that the end-of-year position is almost certain to exceed that for 2015/16.

Priority 3 - A strong community in a clean, safe environment

- 7 measures (58.3% of those measured this quarter) are progressing above or in line with target set
- 5 measures (41.7% of those measured this quarter) have not progressed in accordance with target set
- 4 measures targets are not applicable
- 2 measures do not yet have data available due to the infrequency/timing of the data

Progress continues to be made across outcome areas, although a range of factors are making delivery of targets challenging around ensuring communities are strong and people feel safe.

Levels of reported anti-social behaviour have seen a reduction in quarter three, although the “year to date” figures are still 6% above the comparative figures for 2015-16. Additionally, the **% of all license holders that demonstrate adherence to the Council’s Hackney Carriage and Private Hire Policy (priority measure)** remains short of the 100% target, but 3 out of the 4 categories making up this indicator continue to see very good compliance rates – now at 98% or above (compared to 96% in the last quarter). The fourth category, which requires drivers to obtain the BTEC / NVQ qualification, remains low but is improving and enforcement action will be taken against those drivers failing to make sufficient progress.

The latest 6-monthly **residents’ satisfaction survey** (held in December 2016 with support from the LGA) showed that 81% of respondents were **satisfied with their local area** as a place to live, which is broadly in line with the national average (83%) and slightly higher than when the poll was first held in summer 2015. 66% of residents said they were **satisfied with Rotherham overall** as a place to live – up four percentage points since the last poll in summer 2016.

Performance remains challenging in both priority indicators covering the **number of people borrowing books and other materials (priority measure)** and the **aggregate footfall in the Town Centre**. The former indicator is continuing to improve but not guaranteed to hit its target, whilst the latter continues to decline. Plans are in place to improve both indicators.

The **Streets, Public Realm and Green Spaces** outcome area is broadly in line with targets with all indicators now expected to hit their targets by year-end and indicators improving or stable in the vast majority of instances.

Priority 4 - Extending opportunity, prosperity and planning for the future

- 2 measures (28.6% of those measured this quarter) are progressing above or in line with target set
- 2 measures (28.6% of those measured this quarter) progress has been satisfactory but is not fully reaching target set
- 3 measures (42.8% of those measured this quarter) have not progressed in accordance with target set
- 10 measures do not yet have data available due to the infrequency/timing of the data

Key data relating to measures focused around **economic growth** remain unavailable, due to their annual frequency. However, the first annual review and monitoring of the Council's 10-year Economic Growth Plan is currently taking place and will be taken to the Business Growth Board and elected members during the first quarter of 2017. Recent progress includes the commencement of work on the Town Centre Masterplan, three significant capital projects being approved to proceed to a full bid to the SCR and Rotherham and Sheffield Councils being successful in a joint bid to the Department for Transport to develop transport solutions for the Advanced Manufacturing Innovation District (AMID).

Interim housing data for measures relating to **high quality accommodation** continue to indicate that the majority are on track to achieve their annual target. However, the **new affordable home ownership** target of 148 will not be achieved following reductions in government grant funding and the figures for delivery of new homes are worsening.

Further work has continued to raise standards of accommodation in the private rented sector through the **Council's Selective Licensing Scheme**. Performance for landlords applying for licenses in quarter three is 92% overall and new staff joining the team in the final quarter will be deployed in Maltby, which is currently the only area off target. 86% of the 700 homes inspected in the third quarter have been found to broadly compliant with Housing Legislation, which is encouraging.

The profile for delivery of **adult learning provision** is on target and any underperformance is specifically related to recruitment of learners by subcontractors. 2016/17 targets and performance suggest that although enrolments are only 372 against a target of 780, success rates and retention is currently 100%. However, there is still work to be done to ensure that data analysis is effective enough to highlight any potential areas of concern and risks to RMBC.

Priority 5 - Running a modern, efficient Council

- 7 measures (53.8% of those measured this quarter) are progressing above or in line with target set
- 3 measures (23.1% of those measured this quarter) progress has been satisfactory but is not fully reaching target set
- 3 measures (23.1% of those measured this quarter) have not progressed in accordance with target set
- 2 measures targets are not applicable
- 3 measures do not yet have data available due to the infrequency/timing of the data

At this stage in the year, it is positive to note that the **revenues collected from Council Tax and Non Domestic Rates** are in line with the Council's financial planning assumptions, as set out in its Revenue Budget approved by Council.

The most recent LGA-supported **satisfaction survey with residents** showed statistical improvements by 8 percentage points in people having trust (50%) and confidence (49%) in the Council, since the survey was first held (in June 2015).

The **percentage of complaints closed within the timescales** has increased to 86% (82% in quarter 2) and is now slightly above target. Additionally, the number of compliments has improved significantly in quarter 3 (226 against 168 in Quarter 2); whilst the **number of complaints received** has broadly remained stable with number rising only slightly to 275 from 271 in the previous quarter.

The **pre-decision scrutiny** process is now embedded within the decision-making processes at the Council and has so far been welcomed positively by members engaged in scrutiny, as well as Executive members and officers.

Both the **number of days lost per FTE (priority measure)** and **reduction in agency costs (priority measure)** remain below target. The number of days lost per FTE decreased very remained essentially stable in quarter three, at 10.70 days. Agency staff costs, however, have increased to £7,335m and remain 43% above last year's figures. The HR Service has continued targeted support through business partners to individual managers within services and systems-based reminders are being issued to services where action is required. In addition, the HR Service is working on a reorganisation of how it works with directorates on their management of sickness within Council services.

As part of workforce management arrangements agreed with the Chief Executive, a new Workforce Management Board, led by the Assistant Chief Executive and consisting of Assistant Directors, has introduced a control process with regard to the use of agency staff requiring explicit directorate and Board sign-off. It is anticipated that this action will have a further impact in time for the next, quarter four performance report.

Priority 1: Every child making the best start in life

Outcome: A. Children, young people and families are protected and safeguarded from all forms of abuse, violence and neglect

Lead accountability: Ian Thomas, Strategic Director – Children and Young People's Services

Overview of progress:

The Services that protect and care for children continue to make reasonable progress in achieving good levels of statutory compliance. The Council has created an environment where good social work practice can thrive: a stable workforce, well-led and managed; low caseloads; and competitive remunerations.

The Council's significant investment in transformation will ensure that the services can move to the next phase of the improvement journey, where the management of demand and an improvement in the quality of practice is expected.

Rotherham has committed to identifying and engaging 882 families with the 'Families for Change' programme. In the year to date 68% of the target families have been engaged; if families were attached evenly to the programme across the whole year, this figure would be 75%. This is behind the planned profile; hence, performance will need to improve in the remaining months of the financial year to meet the annual target.

Exceptions:

Good/improved performance:	Areas of concern:
Ref No 1.A1 – The number of Children in Need per 100,000 population has reduced to 375 at the end of Q3 compared to 390.4 at the end of Q2. (Priority Measure)	Ref No 1.A2 – The number of families engaging with the 'Families for Change' programme has increased to 68% in Q3, from 46% in Q2, but is currently off track to hit the year-end target of 100%.
Ref No 1.A5 - Increase in the proportion of children who are cared for in a family based setting is 86.5% compared to 81.1% at the end of Q2 and is now close to the year-end target of 87.5% (Priority Measure)	Ref No. 1.A4 - Increase in children becoming subject of a child protection plan for second or subsequent time to 7.2% Q3 from 6.5% Q2 (Priority Measure)

Performance story/narrative:

1.A1 - There is no good or bad performance in relation to the numbers of Children in Need (CIN), although it is important to monitor against statistical neighbour and national averages as numbers considerably higher or lower than average can be an indicator of other performance issues. The numbers in December remains high at 375 children per 10,000 population, though lower than the 390 at the end of Q2.

The locality management team have clear processes in place for regular reviews of CIN cases to ensure timely progression and to avoid drift. This work is on a rolling basis and ensures that workers and team managers are challenged on the

effectiveness of CIN planning where appropriate.

There has been some analysis of the data to understand the increase and it is clear that the current increase is largely concentrated within First Response. Joint work has been undertaken with heads of service and service managers across social care and Early Help to review triage arrangements, MASH and duty processes to ensure that referrals to social care are appropriate and that work that can be undertaken by Early Help services is identified at the earliest opportunity in the journey of the child. This work has already demonstrated its impact by the reducing numbers of CIN from a peak of 1,934 to 1,734 in January.

One of the measures of success of the Council's Early Help offer will be, over time, a reduction in the numbers of CIN, as families are offered support at an earlier point before concerns escalate.

1.A2 - In 2016/17 Rotherham has committed to identifying and engaging 882 families in the 'Troubled Families' programme (known locally as 'Families for Change'). The introduction of the Liquid Logic system in October 2016 has altered the flow of data between operational and performance teams and this has created a lag in performance reporting. However, interim arrangements are now in place and should allow the Council to retrieve the ground lost in November 2016.

Troubled Families funding is made up of three components: a transformation grant (fixed annual sum), engagement fees (received up front based on number of families identified for the programme) and payment by results (received in arrears based on positive outcomes achieved following work with the family). If the Council is unable to meet the full commitment of engaging 882 families in this financial year, it is unlikely that the associated government funding will be clawed back; however, the Council may not be able to set a similarly ambitious target for 2017/18. This would reduce the amount of funding that can be derived from engagement fees and increase reliance on payment by results funding which is not assured.

1.A3 - Re-referrals are a reflection of the quality of practice and as this improves the percentage should reduce. Current performance is 25.3% against the target of 23%. This remains higher than the national average of 24%, indicating that children's needs may not be being met in a sustained way. This reinforces the findings of an audit programme which is trying to help the service move beyond simply compliance.

Greater stability in our workforce, lower caseloads for social workers, better management oversight, an enhanced Early Help offer and an embedded delivery model ("signs of safety") are amongst the factors that will improve quality of practice, and which will have a direct impact on reducing the re-referral rate. However, given the previous inadequacies and legacy issues that result from this it is predicted that the re-referral rate may remain higher than the national average for some time to come.

1.A4 - The number of children on a plan for a second and subsequent time within 2 years has risen throughout the year and remains higher than the target of 4%. However, following analysis of the figures the number of children having a second or subsequent plan has remained relatively stable; though the total number of children

actually having a plan has come down, thereby resulting in the % staying high.

Work continues in the service to assess the quality of plans and to ensure that plans are only ceased when children and young people are no longer at risk or are supported appropriately at a lower level of intervention. It is clear that some of the reasons for repeat child protection planning relates to 'legacy' issues in relation to previous social work planning and intervention.

1.A5 - Between September and December 2016 there was a slight increase in the proportion of looked after children (LAC) cared for in a family based setting, which rose to 86.5% of the total LAC cohort. This is despite the overall numbers of LAC continuing to increase over this period up to 488 at the end of December.

Performance in October showed that 17 out of 22 admissions to care, and which were still looked after at the end of the month, were in foster care. In November 28 out of 30 admissions to care still looked after at the end of the month were either in foster care or placed with the birth family for a period of assessment (S38(6)).

This performance was echoed in December when there were 13 new admissions to care and 11 of these children were placed in family based care. One young person only became looked after by virtue of being remanded into custody, which meant that family care was not a legally viable option. This leaves only one young person who was placed in residential care. This placement was only made after significant challenging behaviours being exhibited by the young person, which led to offers of alternative placements not being forthcoming. However, renewed efforts are being made to secure this particular young person a foster family.

The Fostering Recruitment Team is also in the process of revising their marketing strategy, which includes the appointment of a dedicated marketing post. It is anticipated that this will enhance the recruitment of in-house foster carers and enable the service to more than achieve the target set for it, of a net increase of 15 foster families for each of the next 3 years. This, in turn, should support more LAC into family based care provision.

1.A6, 1.A7 & 1.A8 - Child Sexual Exploitation (CSE) continues to be identified, investigated and prosecuted. The number of CSE referrals increased during quarter 3 with a reported figure of 64. There is no target against this measure as numbers can fluctuate and are therefore difficult to predict.

There had been 15 prosecutions for CSE offences in the financial year to 31st December 2016. However, caring for the victims remains complex, especially supporting those who are going through court proceedings, some of which are historic in nature.

Ongoing risks and challenges ahead:

The service is now in a position to build on the statutory compliance achieved and move to position where social work intervention is rated 'good' consistently. To achieve this, the service needs a stable and well-motivated workforce that has the capacity to learn and develop its practice. The risk is that the current high demand in

the system will undermine the workforce's ability to develop the necessary skills to effectively protect and care for children. A range of transformation strategies are in place to manage this risk.

To mitigate the risk of not meeting the target for identifying and engaging families in the Troubled Families programme ("Families for Change"), which may put future funding at risk, remedial action is required to review existing caseloads for the Families for Change triggers.

Outcome: B. Children and Young people are supported to reach their potential

Lead accountability: Ian Thomas, Strategic Director – Children and Young People's Services

Overview of progress:

Rotherham is in the top quartile nationally for meeting parental preferences on national offer day for entry into Primary and Secondary schools – satisfying above 90% of all 1st preferences.

Rotherham is also ranked joint 3rd in the Yorkshire & Humber region for a 'good level of development' at the end of Early Years Foundation Stage – exceeding national averages. Outcomes have improved by 15% between 2013 and 2016.

94% of all Rotherham's Ofsted-registered Early Years and Childcare providers are judged to be good or outstanding, which is 6% above the national average.

The proportion of pupils attending a good or better school in Rotherham is 86.2%, again above the national average.

Rotherham is above national average and ranked first in the Yorkshire and Humber Region for pupils achieving the expected standard in reading, writing and mathematics at Key Stage 2.

Rotherham's GCSE performance has been consistently in line or above the national average since 2012. In 2016 the % of pupils achieving A* - C in English and Maths was 61.3% - 2.6% above the national average. The new Progress 8 score is also above the national average.

All Rotherham's post-16 providers are judged by Ofsted as good or outstanding.

The number of two-year-olds taking up an early education place in Rotherham is consistently higher than the national average, with 86% of Rotherham's eligible two-year-olds taking up a place in spring 2016 compared with 68% nationally.

Rotherham's "Genuine Partnerships" Charter principles are being recommended nationally and Rotherham's Inclusion Service is working in co-production with parents, young people and the national charity 'Contact a Family' to deliver consultation and training with leaders of inclusion in other local authorities.

Because of its unique central position in South Yorkshire, coupled with high quality and performance across all phases of the education system, the Borough is a net importer of children and young people from Early Years through to post-16 education.

The latest confirmed data released by the Department for Education (the Pupil Absence in Schools in England for Autumn 2015 and Spring 2016, combined) shows a small but positive reduction at both primary and secondary level. Persistent Absence (PA) rates in Rotherham primary schools reduced by 1.1% in autumn/spring 2015/16, compared to autumn/spring 2014/15; and in secondary schools reduced by 1.7% in autumn/spring 2015/16, compared to autumn/spring 2014/15. The final absence statistics relating to the full 2015/16 school year are due for publication in March 2017 and will be reported on in quarter four.

The number of children registered with a Children Centre and residing in the 30% lower-level super output areas has now reached 98% overall, against a local target

of 95%; with the South and North areas performing above target. This demonstrates that those families living in the areas with the highest needs are being targeted effectively, which is positive. Note: 95% equates to Ofsted's 'Good' rating criteria.

Exceptions:

Good/improved performance:	Areas of concern:
Ref No. 1.B1: 87.2% of entitled 2 year olds accessing childcare in the autumn term compared to 79.5% in the summer term (Quarter 2) and a target of 80%.	Ref No. 1.B4 (a) and (b): While showing some improvement the rate of exclusions is still a concern for both Primary Schools (10.3% compared to a target of 8.4%) and Secondary Schools (14.4% compared to 13.8% target).
Ref No.1.B3: Educational progress from Key Stage 2 to Key Stage 4. The current 'Progress 8' score for Rotherham is +0.03 compared to the national average of -0.03.	Ref No. 1.B9 (a) and (b): While showing some improvement the educational performance of LAC is still a concern.
Ref No 1.B6: % of young people aged 16-17 who are Not in Education, Employment or Training (NEET) is at 2.9% at the end of Q3, compared to a target of no more than 5.9%.	
Ref No 1.B8: The number of children registered with a Children Centre now stands at 93% and is approaching the target of 95%.	

Performance story/narrative:

1.B1 - Performance is currently above expectations at the interim position for Autumn 2016. Take-up level at the interim position for Autumn 2016 was 79% and increased to 85% by the end of the term. Take-up level in this term is historically higher than the Spring and Summer terms because provision is at its lowest level during the year leading to more choice for parents.

1.B2 - The proportion of pupils attending a "good" or better school in Rotherham increased by 20% from 66% in August 2012 to 86.2% as at 31 August 2016. However, outcomes decreased by 1% in the Autumn Term of 2016. The latest comparison to the national average is 86% as at 31 August 2016. Rotherham averages are 1% below the national average.

The DfE academy conversion policy has affected the aggregated Ofsted profile for schools. The first inspection of all new schools, including academies, will usually take place within three years of opening. If an academy convertor school opens they retain their latest Ofsted judgement and this is reported against the school, aggregated local authority and national averages until the first school inspection (during the third year of the school opening). If a sponsored academy converts their latest Ofsted judgement is removed from the school, local authority and national

aggregated profile. Schools with a 'requiring improvement' judgement that become convertor academy schools may retain that judgement for up to five years if they were due an inspection at the time of conversion.

A framework for supporting and challenging the leadership of schools of concern is in place to ensure that schools have the capacity to secure and sustain high standards in pupil outcomes. This allows the local authority to undertake its statutory functions with regard to school improvement for authority maintained schools. The authority also meets with the DfE Regional School Commissioner on a termly basis to discuss the performance of Rotherham schools and raise any concerns it may have about the performance of academy schools.

The Council, having identified and challenged underperformance, brokers support; whether that is in the form of school-on-school support within the Learning Community, the local authority or beyond the Borough. Rotherham School Improvement Service Teaching and Learning Consultants provide intensive support for Schools of Concern and training for those schools that opt to purchase the Rotherham School Improvement Service traded offer.

1.B3 – 'Progress 8' aims to capture the progress a pupil makes from the end of primary school to the end of secondary school. It is a type of value-added measure, which means that pupils' results are compared to the actual achievements of other pupils with the same prior attainment.

A Progress 8 score will be calculated for each pupil by comparing their average grade (their Attainment 8 score) with the average grade of all pupils nationally who had a similar starting point, or 'prior attainment', calculated using assessment results from the end of primary school. The greater the Progress 8 score, the greater the progress made by the pupil compared to the average of pupils with similar prior attainment.

A school's Progress 8 score will be calculated as the average of its pupils' Progress 8 scores. It will give an indication of whether, as a group, pupils in the school made above or below average progress compared to similar pupils in other schools.

The progress 8 score for Rotherham LA in 2016 was 0.03, this is above the national average (state-funded schools) progress score of -0.03. The progress 8 score is only calculated at a national level for state-funded schools. This data is provisional with the validated data published by the DfE on the 19th January 2017 now being assessed.

1.B4 (a&b) – In-year performance (2016/17) for Persistent Absence in Primary Schools is currently 12.0% against an annual target of 8.4% and for Secondary Schools is 14.6% against a target of 13.8%.

It should be noted that this is based on the revised persistent absence measure which was introduced in September 2015, where a pupil enrolment is classified as a persistent absentee if they miss 10% or more of their possible sessions.

For Half Term 1, this equates to the equivalent of 7 sessions (3.5 days of absence). It should be noted therefore that the outturn could be very different by the end of the academic year, as a student with possible attendances of 380 sessions would have

to be absence on 38 sessions to be classified as a persistent absentee.

1.B5 (a&b) – The Council has set challenging but realistic targets to address the rising number of exclusions, both fixed-term and permanent. Permanent exclusions had doubled in each of the past two years (2013/15 – 2014/15) in secondary schools, from 12 to 24 and then to 50. This last academic year (2015/16) had initially 53 permanent exclusions but 6 were overturned or rescinded, with the actual recorded number 47. This is a slight fall overall but, more significantly, it shows a halt in the trajectory of previously rising exclusions.

Since September the school collective responsibility partnerships set up to improve schools' responses to children's needs in the area of social, emotional and mental health (SEMH) have begun to show some impact on children remaining in school. They are now beginning to operate more independently and meet the needs of children earlier, within school. Schools have a new model to work with for the Pupil Referral Unit (PRU) which gives them more responsibility, flexibility and control over those children who need to access this support. This is showing a positive effect with locality partnerships taking joint responsibility for the children they find challenging to maintain in school. Partnerships are beginning to question the need for an external PRU. Unfortunately there is one school that is not yet fully engaging with this approach and data shows that they are excluding at a much higher rate than others, which is providing a challenge.

The numbers of fixed-term and permanent exclusions for September – December 2016 provide grounds for continued optimism at this stage in the academic year. There are 1,097 fixed-term and 13 permanent exclusions, compared with 1,562 fixed-term and 20 permanent in Sept-Dec 2015. The Secondary Pupil Referral Unit covers two sites, one of which has been moved after complaints from the local community and primary school. The new site allows for greater independence for the delivery of a more effective curriculum offer.

There is also a wider SEMH Strategy, which is addressing partners' collective responsibility within primary localities. This will allow children's needs to be met as early as possible. The primary Pupil Referral Unit is also being reshaped to fit with this new way of working and SEMH Primary Partnerships have been established.

1.B6 - Quarter 3 is the first quarter of revised DfE performance requirements where performance is measured for the NEET and Not Known cohorts based on academic age 16 and 17 (Year 12/13). The position at the end of December shows a NEET figure of 3.0% (against a local target of 3.0%) and a Not Known figure of 2.6% (against a local target of 2.5%). Whilst the NEET figure hit target, the Not Known figure was 0.1% above target. This is the second month of the Council's annual measure (taken across Nov, Dec and Jan) and to ensure targets of 3.0% NEET and 2.8% Not Known are met, the Not known target for January has been revised down to 2.9%. Data sharing exercises and follow up will continue, as will work to re-engage the NEET cohort, both centrally and across all localities to ensure the Council remains on track.

Latest comparison data available for November returns show that Rotherham is now better than statistical neighbours, national and regional, in regard to Not Knowns. In respect of NEET figures Rotherham is delivering better results than statistical

neighbours, whilst being in line with both regional and national returns.

1.B7 (a&b) - All Education Health and Care Plan (EHCP) completions and conversions are measured nationally on an annual basis as a cumulative target for how many have been completed within timescale from the beginning of the SEND reforms in September 2014. We are monitoring this monthly within Rotherham.

The % for timeliness of completion for new EHCPs has fallen this quarter, from 65% to 42%, as the team have worked to ensure compliance around conversions of Learning Difficulty Assessments (LDAs) to EHCPs, which had to be completed by 31st December 2016.

The percentage of conversions from statements to EHCPs completed in a timely manner has risen from 53% to 57%. This % is taken during the second week of the month and does not yet include the LDA figures where conversions were completed after 14th December. 119 LDA conversions were completed between September and December and this % measure for this target area should rise again next month due to the success of the team in being compliant.

This has been a real achievement for the team as it is the first time a government target for conversion has been met. The established staff and previously Early Help staff who moved in September to the EHC team have worked together to achieve this success, demonstrating a growing confidence and team ethos.

Rotherham continues to have the lowest level of SEND tribunals nationally, with none as yet being taken beyond the mediation stage since the reforms began.

1.B8 – During Quarter 3 registration rates overall reached 93% just below the target of 95% (breakdown per area: North 98%; South 95%; and Central 87%). This is an improvement on the last quarter by a further 2%. The 30% LSOA registration rates have already met the local 95% target overall with performance 98% at the end of Quarter 3. South and North areas both registered 100% of these children with central registering 87%, demonstrating that those families living in the areas with the highest needs are the focus which is positive.

1.B9 (a&b) - Data for both LAC outcomes hasn't been published yet, and is expected to be published around March 17, as in 2016.

Looked After Children (LAC) achieving Level 4 or above at Key stage 2 for reading, writing and maths combined' no longer exists as a national measure. When the annual data is published it will refer to "% of LAC meeting the national standard in Reading, Writing and Maths".

Ongoing risks and challenges ahead:

A functional analysis of the Education and Skills service to review the structure of the service will ensure that the service delivers statutory functions, offers value for money and high quality.

Data-sharing exercises and follow-up will continue, as will work to re-engage the NEET cohort, both centrally and across all localities, to ensure the Council remains

on track

The children centre administration is being offered additional hours and further audit work was completed in October 2016, with actions now being implemented from November to improve consistency and performance across administrative activity in the local authority-run centres to support with any data inputting concerns.

Early Help teams (including Attendance Advisors and Education Welfare Officers) are working closely with schools to ensure that strategies and support plans are in place, along with robust policies which ensure adherence to statutory absence regulations. A more targeted approach working with schools and the whole family is planned alongside the “#every schoolday counts” initiative.

Outcome: C. Children, young people and families are enabled to live healthier lives

Lead accountability:

Terri Roche, Director – Public Health

Ian Thomas, Strategic Director – Children and Young People's Services (measure 1.C4)

Overview of progress:

Public Health commissioned services for smoking cessation, weight management and sexual health have successfully procured 0-19s children's health, sexual health, and drugs and alcohol recovery services. These are performance managed in the contracts with the providers.

All measures, except smoking status at time of delivery (SSATOD), are annual. SSATOD data for quarter two 2016/17 is well down on annual data for 2015/16, therefore the 6 month position is promising to achieve the 2016/17 target.

Levels of childhood obesity have increased over the most recent 5 years but only slightly between 2014/15 and 2015/16. Sexual health as measured by chlamydia detection decreased again in 2015 but improvement plans are in place; and the latest interim data for quarter three 2016 shows an improvement to amber for year-to-date.

There has been a steady improvement in performance since the new RDASH CAMHS service structure was fully recruited to, at the end of quarter one. The target for urgent referrals to be triaged for urgency within 24-hours is now consistently being met however the Rotherham Clinical Commissioning Group stretch target for assessing CAMHS referrals within three weeks is not being met.

The CAMHS service, with its full staffing complement, is continuing to focus its resources on reducing the waiting time target for assessing CAMHS referrals within three weeks and with the backlog of children and young people waiting for assessment now almost cleared, it is anticipated that there will be further improved performance against the assessment target within quarter four.

The CAMHS locality workers are continuing to establish links with schools, Early Help teams, social care teams and GPs within their respective localities. In addition, work is progressing on the CAMHS single point of access team working alongside the Early Help triage team and the CAMHS single point of access team will re-locate to Riverside House in early quarter four. Both of these developments will reduce inappropriate referrals into CAMHS and ensure that children and young people's needs are met promptly.

Exceptions:

Good/improved performance:	Areas of concern:
Ref No. 1.C1 – Smoking status at time of delivery decreased from 19.1% at Quarter 1 to 12.1% at Quarter 2. This is promising to achieve end year target of	Ref No.1.C4 (b): 24% of triaged CAMHS referrals that were assessed within 3 weeks against a target of 95% - <i>waiting list initiative in place to improve</i>

18.4%.	<i>performance</i>
Ref No. 1.C4 a) - 100% of <i>Child and Adolescent Mental Health Service (CAMHS)</i> referrals triaged for urgency within 24 hours of receipt against a target of 100%	
Performance story/narrative: <i>Action - Deliver services for the 0-19 year olds – to support children and families to achieve and maintain healthier lifestyles</i> Ref No. 1.C1-1.C3 - The action for this priority area is to deliver services for the 0-19 year olds which will support children and families to achieve and maintain healthier lifestyles. This is being fulfilled by the commissioning of services as above. Ref No. 1.C1 Smoking status at time of delivery (women smoking during pregnancy) (priority measure) – Public Health are continuing to commission specialist stop smoking in pregnancy services. Rotherham's recent decrease is due to the intervention work by the Stop Smoking in Pregnancy Service. They refer all mothers-to-be who smoke to a Stop Smoking midwife for one to one specialist support. This includes measurement of all pregnant women's carbon monoxide levels (to detect smoking). They also work with partners and close family members to use this key stage of life to make positive life changes including stopping smoking. Ref No. 1.C2 Reduction year-on-year levels of childhood obesity (priority measure) – The National Child Measurement Programme (NCMP) weighs and measures children in Reception and Year 6 on an annual basis to monitor childhood obesity. The Rotherham School Nursing Service have started work to deliver the NCMP for the academic year 2016/17. Head Teachers have received a letter asking for their support for the delivery of this year's programme (2016/17), alongside a data pack showing the last three years results of the NCMP for their school. Parents have also received a letter outlining the programme and asking for consent for their child to participate and those wishing to opt out have notified the service. Work continues with the Healthy Weight Framework programmes for both children and adults focussing on weight loss, increased physical activity and lifestyle/behaviour change. All of the Children's Weight Management Services in Rotherham are focusing on local schools with higher rates of childhood obesity to improve health outcomes. These are actively marketed by a range of frontline workers including school nurses. In addition, school nurses, health visitors and other key frontline workers have recently received training on 'How to raise the issue of weight'. This has resulted in families better engaging with the Healthy Weight Services in Rotherham. Ref No. 1.C3 Chlamydia detection rate (15-24 year olds) – Public Health commission sexual health services which include chlamydia detection. Chlamydia	

detection is an indication of the number of sexuality transmitted infections (STI) circulating within the community. If chlamydia is detected then there is evidence of unprotected sexual activity and a high probability that other STIs could be passed on. Low detection could mean low prevalence within the community (which is good news) or lack of targeting high risk groups therefore increasing spread of STI thus high risk of infections within the community.

The recent decrease in the chlamydia detection rate was picked up via performance management of the Provider Trust. To remedy this, an improvement plan is now in place. The actions resulting from this were: the appointment of a dedicated health promotion co-ordinator to promote the screening service; working with the Public Health England Sexual Health Co-ordinator to look at best practice; and identifying target populations to improve detection rates.

The latest returns from the service have shown Rotherham's position moving from red to amber (based on interim data to Quarter 3)

Ref No. 1.C4 a) - The percentage of referrals triaged for urgency within 24 hours of receipt was 100% at the end of quarter two against a target of 100% and was consistently at 100% throughout quarter three. The new RDASH CAMHS service structure and the additional capacity to manage the number of referrals being received, coupled with clear processes to undertake urgent referrals within 24 hours of receipt, has resulted in performance of 100% against the target of 100% in each of the months within quarter three.

Ref No. 1.C4 b) - The percentage of triaged referrals that were assessed within the target of 3 weeks (Rotherham CCG stretch target) has remained significantly below the target of 95%. There had been an improvement in performance in the first two months of quarter three, 30.2% and 35.2%, but performance slipped to 24% in the final month of the quarter. There had been a significantly higher number of priority referrals in the final month, which has been the key factor in the decrease in performance.

In relation to this measure nationally this is set at a 6 week target and not 3. However, the contract with the CCG for CAMHS in Rotherham aspires to a 3 week target. Further work will be done over the coming months to establish what the performance is at 6 weeks.

The backlog of initial assessments continues to reduce due to a waiting list initiative and with the backlog now almost eliminated there should be a corresponding increase in performance against target in early quarter four. There remains a short term re-alignment of staffing to allow the prioritisation of those young people on the waiting list and to address any new referrals coming into the system.

Additional monies in 2016/17 from the Department of Health are being utilised to reduce waiting times, through staff working overtime and for appropriate lower level cases to be worked by Rotherham and Barnsley Mind.

Referrals are now allocated to the relevant team at the point of assessment, so as to help with the allocation of appointments and with patient experience.

The Operational Manager is meeting with Meridian to review service capacity in line with the new model of working. An assessment trajectory has been accepted by commissioners; the service to be back on track by month end March 2017.

Ongoing risks and challenges ahead:

The reduction of the Public Health Grant combined with competing priorities has potential impacts on the ability to achieve this outcome. This has been out to public consultation for feedback on how to best prioritise services. Results are currently being analysed. Public Health is also in the process of mobilising three major services: 0-19s Children's Health, Sexual Health, and Drugs and Alcohol Recovery following a successful procurement process. The Stop Smoking in Pregnancy Service is commissioned until March 2018 after which a decision will be made on its future.

There remains a high volume of referrals into the Child and Adolescent Mental Health Service (CAMHS), with a number of these referrals being inappropriate. This scenario has a negative impact on reducing waiting times and work is continuing to develop a CAMHS Single Point of Access aligned to Early Help Triage and also to review the CAMHS pathways, which will mitigate these risks.

In addition, there has been a recent spike in the number of young people requiring an urgent assessment within 24 hours, which has had a knock on effect in scheduling initial assessment appointments for children and young people within the three week stretch target.

Priority 2: Every adult secure, responsible and empowered

Outcome: A. Adults are enabled to live healthier lives

Lead accountability:

Terri Roche, Director – Public Health

Shokat Lal, Assistant Chief Executive (measure 2.A6)

Overview of progress:

Public Health continues to deliver services to tackle the prevalence of smoking, substance misuse, childhood and adult obesity and encouraging everyone to do more physical activity and adopt a healthier lifestyle.

No performance data is available for 2016/17 as measures are annual. The most recent data shows the prevalence of smoking and physical inactivity have both decreased since 2012. The percentage successfully completing drug treatment increased (improved) between 2012 and 2014 but decreased again in 2015 to result in a slight net increase over this period. However, there has been a change in the categorisation of data between opiates, non-opiates and alcohol which may have affected this. An area of concern has been the recent increase in suicide rates becoming significantly worse than England for the period 2013-2015.

Crisis loans data for the quarter is showing a reduction, with 109 issued over the three month period (compared to 130 in quarter 2 and 248 in quarter 1). This represents a gradual decline in the numbers of loans issued (and their value) over the year to date. Any particular reasons for this trend are being explored with the loan provider, Laser credit union. The numbers of parcels distributed through the food in crisis provision, however, has continued at a level broadly consistent with the year so far (with the number parcels issued per month averaging around 250-280). Whilst numbers for the quarter fell to 787 from a high of 892 in quarter 2, figures by this stage of the year show that provision for 2016/16 (already at 2,489 at the point of quarter 3) is almost certain to exceed that in 2015/16 (2,526).

Exceptions:

Measures 2.A1-2.A5: no exceptions - currently no data for 2016/17 due to annual measures.

Performance story/narrative:

Corporate Plan action – Implement Health and Wellbeing Strategy to improve the health of people in the borough

Enabling adults to live healthier lives is to be achieved by implementing the Health and Wellbeing Strategy. In relation to this Rotherham Public Health commission health services (as noted in section above). These are performance managed in the contracts with providers.

Ref No. 2.A1 Smoking prevalence (18+) (Priority measure) – To reduce the level of smoking prevalence, Public Health commission services for smoking cessation with Yorkshire Smokefree. Their activity for 2015/16 delivered on target for smoking quitters (face-to-face and non-face-to-face)

Ref No. 2.A2 % of physically inactive adults (aged 16+) – The local target regarding physical inactivity is to increase physical activity in those with long-term conditions. This is supported by the Active for Health project, a 3 year scheme focussing on long-term conditions and based on providing safe and robust multi-condition sport and physical activity. Over 500 patients have completed the programme to date.

A video has been created for the Active for Health programme. This provides further information on how the project is using physical activity to help people with their rehabilitation and recovery from 7 different long term conditions. This was published in November 2016 and shown at the 1 year celebration event. It can be seen at: www.rotherhamgetactive.co.uk/activeforhealth

Further funding has been sourced from the Multiple Sclerosis (MS) Society to explore the role that physical activity can play in supporting people with MS. This will be piloted in 2017. This is being completed in partnership with Sheffield Hallam University.

Updated data in the Public Health Outcomes Framework as at November 2016 shows a decrease in the level of physical inactivity for Rotherham from 31.5% in 2014 to 30.6% in 2015, which is positive

Ref No. 2.A3 Excess weight in adults (aged 16+) – Public Health commission services to reduce excess weight in adults. Work continues with the Healthy Weight Framework programmes for both children and adults focussing on weight loss, increased physical activity and lifestyle/behaviour change. Contract meetings with all services show good progress with better estimates for contractual targets expected shortly. A dashboard for all weight management services is being developed to show quarterly progress against targets and to support better forecasting. This should be ready by February 2017.

Rotherham has successfully applied (December 2016) for funding to deliver wave 2 of the National Diabetes Prevention Programme (NDPP) as part of the Doncaster, Barnsley and Bassetlaw STP partnership. This will ensure that an intensive 9 month programme of education, support and activity will be available for adults who are at high risk of developing type 2 diabetes. A likely benefit of the programme is the reduction of excess weight in adults. Delivery will begin from April 2017.

Ref No. 2.A4 Suicide rate (all ages) (Persons) – The updated mortality data for suicide and injury of undetermined intent has been published in the Public Health Outcomes and Suicide Prevention Profiles. It now includes 2013-15, (3 years combined). The figures presented are for deaths registered each year, rather than deaths occurring in each year.

Rotherham's rates for both Persons and Males for 2013-15 are now significantly

worse than England. Rates for Persons are the highest in the Yorkshire & the Humber Region and 2nd highest among similar local authorities

There continues to be much activity to prevent deaths from suicide in the borough. The Rotherham Suicide Prevention and Self Harm Group meets bimonthly and at each meeting progress on the action plan is monitored.

The men's campaign has been promoted through advertising in the local press and at Rotherham United Football Club. An article was included in the council's magazine for tenants, Home Matters. Information on support services was widely publicised over the Christmas and New Year period.

Consultation has commenced with young people on a mental health campaign which when launched will encourage young people to spot the signs that a friend may need help and direct them appropriately.

All schools in the borough have been sent a Critical Incident Response Sheet. This document provides a checklist for schools/settings to work through following notification of a critical or any serious incident such as serious self-harm, suicide or death by other causes. The suggestions act as prompts in order that a swift and effective response can be put into place within the shortest possible timescale.

A pilot project between Rotherham Samaritans and South Yorkshire Police started in December 2016 which will offer support to adults bereaved as a result of suicide.

Wentworth Valley Area Assembly has allocated £8000 from their devolved budget for suicide prevention work in their area. This has included campaign materials; coasters/beermats which have been distributed round the area. In addition they have brought in several mental health and suicide prevention training courses which will run until March 2017. The first of these courses ran in December 2016 and was oversubscribed.

Ref No. 2.A5 a) and b) Successful completion of drug treatment (opiate users (aged 18-75) and non-opiate users (aged 18-75)) – Data has recently been updated to 2015 in the Public Health Outcomes Framework. This shows that performance of successful exits from treatment for both opiates and non-opiates for Rotherham are both 'similar' to the England average and in the second quartile compared to local authority comparators. This represents a decrease from 2014 but there has been a change in the definition of how treatments are categorised between alcohol, non-opiates and opiates which could affect this.

Quarter 3 has seen a slight delay in the new Recovery Service transferring to the preferred provider 'Lifeline' due to a challenge within the tender award process which halted the mobilisation, however was resumed mid-December with a revised transfer date of 1st April 2017. The current Recovery Service continues to operate, however the majority of service users accessing the service are non-opiate and alcohol service users with some outreach taster sessions taking place outside of Carnson House with the aim of attracting opiate users. The Service has also been successful in an application to be part of Building Better Opportunities – Sheffield City Region an integrated, person-centred employment service whereby 2 employment-focused

coaches will be co-located within Carnson House to support users of Rotherham drug and alcohol services from the end of December 2016 developing pathways to work and learning, and providing benefit advice/ debt management advice.

There is a focus within the secondary care drug treatment service to transfer those clients in treatment who could be treated by their own GP within the commissioned shared care service in order for workers to concentrate their efforts on the more complex and chaotic clients. The target is for 55% as a minimum to be treated within shared care.

Ref No. 2.A6 a) and b) Number of people supported through welfare provision: food parcels; and crisis loans - Crisis loans data is showing a further quarter-on-quarter reduction, with 109 in issued over the three month period (compared to 130 in quarter 2 and 248 in quarter 1). Within the quarter, monthly monitoring data also showed a gradual decline in the numbers of loans issued (as well as their total value, by definition). Further work will take place to determine the key factors for this trend, though Laser credit union's the temporary accommodation during 2016 and relocation in the autumn of 2016 is likely to have had an impact.

The numbers of parcels distributed through the food in crisis provision in the quarter stands at 787. Whilst this is lower than the high of 892 in quarter 2 and also the 810 in quarter 1, the average number of parcels issued per month over the year so far appears to be relatively consistent, within a range of 250 to 280. At this quarter 3 stage – with 2,489 parcels distributed, the end-of-year total is likely to be well in excess of the 2,526 parcels distributed during 2015/16.

Ongoing risks and challenges ahead:

The reduction of the Public Health Grant combined with competing priorities has potential impacts on the ability to achieve this overall outcome. This has been out to public consultation for feedback on how to best prioritise services. Results are currently being analysed. Public Health is also in the process of mobilising three major services: 0-19s Children's Health, Sexual Health, and Drugs and Alcohol Recovery following a successful procurement process.

Outcome: B. Adults and carers are supported to be safe, independent and resilient within a personalised model of care and support

Lead accountability: Anne Marie Lubanski, Strategic Director Adult Social Care and Housing

Overview of progress:

Please note that, due to the transfer over from the SWIFT/AIS care management recording system to the new Liquid Logic system week commencing 12th December 2016, data for some measures is only available up to the cut-off date of 30th November 2016; or in some cases may not be available for quarter 3 due to new recording processes, which require re-development of reports to extract from Liquid Logic.

Based on where quarter three data, associated narrative updates and analysis of any limited data sets are available, the overall assessment indicates that “Good” progress in being achieved in terms of meeting this outcome; but several measures are becoming more challenging as at the point of this third quarter.

Service Plans capture and track the on-going initiatives and key milestones for the actions in the Corporate Plan and are being used to provide the overall evidence of delivery of this outcome.

Measures supporting the actions for this outcome are indicating a positive direction of travel; most measures with specific targets being on track. However, Delayed Transfers of Care (DTC from hospital) is coming under pressure and a downward switch has been seen in direction of travel based on published November data. Local ‘on the ground’ experience of delays has resulted in the hospital operating at over 100% bed capacity, which means patients are not getting admitted onto wards and trolley waits have been a day-to-day occurrence. DTC is therefore rated off target. Services supported by the Performance and Quality Team within the Adult Care and Housing Directorate expect current actions (including performance clinics and investigations) to mitigate against risk and achieve the best performance possible.

The number of carer assessments still remains lower than expected when compared to the historical trend target set for 2016/17. Investigations have identified that changes to business process that previously allowed for recording of joint assessment of the Carer and Service User are no longer undertaken, following Care Act requirements. This has led to further reductions, as although carer’s are eligible and offered an individual assessment, they may choose to decline. Additionally during quarter three the service is now linking carer assessments to provision of specific services. Whilst this will improve numbers undertaken it will be necessary to re-baseline future targets, as the impact of ceasing joint assessments will reduce total numbers taken up on an individual basis. A full analysis of this is underway to inform quarter four actions and impact on 2016/17 target delivery.

Mental Health assessments were showing an increase in the quarter, until high levels of sickness have been experienced by the team. Actions to mitigate the long-term impact of prolonged absence are being decided.

Increased in-year budget pressures during quarter three spend on residential and community placements has occurred and prioritised management actions to reduce this are being constantly reviewed and applied.

Learning from 2016/17 will inform target setting for 2017/18 Corporate Plan measures.

Increasing the number of people with learning disabilities supported into work is still a high priority and although the indicator is still not fully reaching the target set in quarter three, the target is still considered to be achievable and work is currently ongoing to meet this.

Exceptions:

Good/improved performance:	Areas of concern:
Ref No. 2.B7 Number of admissions to residential rehabilitation beds (Intermediate Care). Increased numbers receiving service and performing above target.	Ref No. 2.B2 – Average delayed transfers of care from hospital attributable to adult social care or both health and adult social care per 100,000 population has declined and is unlikely to meet stretch target. (Priority measure)
Ref No. 2.B4 a) and b) - Proportion of adults receiving self-directed support 79.9% and carers in receipt of carer specific services 100% - both above target (Priority measures)	Ref No. 2.B5 - Number of carers assessments lower than target profile at accumulative in year 935 against an annual target of 2,500. The direction of travel has also declined.
Ref No. 2.B9 a), b) and c) - Permanent admissions to residential care for all adults (under and over 65) are performing better than target profile, but Q2 improvement in % spend measure has been eroded, despite lower new admissions rates. (Priority measures)	Ref No. 2.B10 - Supporting people with a Learning Disability into employment slightly below 6% target at 5.7%

Performance story/narrative:

Corporate Plan action - Implement the new Adult Safeguarding Strategy to prevent neglect and abuse, embed making safeguarding personal and provide support to victims, linked to the corporate Safeguarding Strategy

Ref No. 2.B1 No. of Safeguarding investigations (Section 42 enquiries) completed (Priority measure) - The Safeguarding Annual Report has been signed off at Cabinet, been published and was reported on to the 'Improving Lives Select Commission'. Andrew Wells has now commenced in the appointment of Head of Service for Safeguarding. The Rotherham Safeguarding Adults Board (RSAB) continues to meet every other month and during November the Board received a presentation by South Yorkshire Police on Modern Day Slavery. The Board continues to be well-attended by partners and the sub-groups are being embedded

into practice. The Rotherham Safeguarding Adults Partner Self-assessment Framework Questionnaire was circulated, responded to and submitted to the independent Chair. The role of the Safeguarding Board Manager will be advertised shortly. The escalation and resolution policy is being tested and reviewed in practice and will be signed off at a future Board meeting in 2017.

Although the Council has seen some change in the number of safeguarding investigations recorded as completed, further work to assess the impact and any risk as to the lower level of recording reported will be followed up during quarter four via Liquid Logic reporting and any necessary service actions undertaken.

Corporate Plan action - Integrate health and care services to consolidate and share resources to reduce duplication and provide excellent services

Ref No. 2.B2 Average delayed transfers of care from hospital attributable to adult social care or both health and adult social care per 100,000 population (priority measure) -

Partnership working at the hospital continues to improve and this measure of DTOC was amongst the lowest (5th as at quarter two) in the Yorkshire & Humber region. Similarly the linked health 'total delayed days measures' are showing (as at quarter three November data), Rotherham in 2nd best quartile nationally and as 2nd best performing council in South Yorkshire. This is in the overall context of a significantly challenged position in both social care and the NHS. In the next quarter work will progress to look at trusted assessor models for "off-site" beds, improve hospital to home pathways and scope the future intermediate care bed base.

A development of an out-of-hours "single point of access" for Rotherham, bringing together health and social care, is being progressed over the next quarter which should support unnecessary hospital admissions out-of-hours.

Corporate Plan action - People get the information and advice early and help to make informed choices about care and support

Ref No. 2.B3 Number of people provided with information and advice at first point of contact (to prevent service need) - People are continuing to get information and advice early. Community Link Workers are feeding into this team to ensure that the Connect to Support site is inclusive of any new activities or events.

A soft launch of an early intervention tool "I Age Well" has just started. This will help citizens to identify early signs of age related deterioration and take action to manage these to remain independent for longer.

The information and advice offer is improving with the support of the dedicated information, advice and guidance officers in Single Point of Access, work to continue to improve this will continue into the next quarter.

The roll out of "Caring Together" will support the carer's element of information, advice and early support.

Corporate Plan action - Improved approach to personalised services – always putting users and carers at the centre of everything we do

Ref No. 2.B4 a) & b) - 2.B5 Proportion of Adults receiving long term community support who receive services via self-directed support (Priority measure); Proportion of Carer's in receipt of carer specific services who receive services via self-directed support (Priority measure); Number of Carer's Assessments completed – Early work on the integrated locality pilot is being reviewed to look at focusing on three criteria: admissions to hospital / long term care, length of stay and costs of care packages.

A planned partnership event on 24th January, 2017 will highlight what is working well but set out the areas of challenge still to be overcome. Case studies will be used to illustrate examples of how working practices are changing as a result of this work.

Locality working is a key feature of the "Rotherham Place Plan" and discussions are taking place about how a wider roll out of a locality model could be instigated.

The Launch of the Adult Social Care system liquid logic, implementation of practice scrutiny processes (Practice Challenge Group) and significant investment in targeted training and development of staff is starting to support a shift towards a strengths based approach amongst front line staff.

A partnership strategy "Caring Together" has been developed and will be going back to the Health and Wellbeing Board for final partnership sign off imminently.

There is now no backlog in carers waiting for assessments within RMBC due to same day response in single point of access. There are anecdotal reports from "Crossroads" regarding carers presenting in crisis. The Strategy contains an action plan to ensure to identify hard to reach carers and ensure a sustainable caring role.

Changes in the assessment processes in liquid logic, improve the recording of carer's assessment outcomes. Mental health carer's assessments have been affected by high levels of sickness absence and actions to reduce the impact are being progressed to improve performance in Quarter 4.

Corporate Plan action - Modernise Enablement Services to maximise independence

Ref No. 2.B6-2.B8 - The proportion of people (65+) still at home 91 days after discharge into rehabilitation (Priority measure); No of admissions to residential rehabilitation beds (Intermediate Care); Proportion of new clients who receive short term (enablement) service in year with an outcome of no further requests made for support - The reconfiguration of the enabling service has now moved into the implementation phase, currently the extra care schemes are not included as part of the implementation phase. A plan with timescales to progress this piece of work is being undertaken in relation to Extra Care. The Provider arm of the enabling team will be moving onto their new rota pattern by the end of February 2017 and the remainder of the staff who requested voluntary severance will be released at this time. There is a further element of training required to get the workforce fully mobile but it is envisaged that the provider arm will be running to full capacity by the start of the new financial year in April 2017.

Corporate Plan action - Development of Adult Care Market Position Statements to provide alternatives to traditional care, maximise independence and

stimulate the market

Ref No. 2.B9 a), b) & c) - Permanent admissions to residential care for adults and older people (Priority measure); % spend on residential and community placements (Priority measure) - Residential and Nursing Care

There are pressures on the residential and nursing care budgets as a result of an increase in the average cost of placements and lower than forecast 'Continuing Health Care' income contributions against the approved budget. There are currently 916 placements within the independent sector plus 120 placements in the two in-house residential care establishments including intermediate care provision.

Residential Care – increase in number of placements in respect of clients under 65 over the last 12 months including some loss of CHC funding. Over 65 placements are reducing but average cost of care packages increasing.

Community budgets are being impacted by continued increase in demand for services including Domiciliary Care(+11%), full year effect of a 29% increase in Direct Payments in 2015/16 plus a further 4.3% increase in numbers so far in 2016/17. Also, impact on cost of service provision in respect of the increase in National Living Wage which increased fees paid to independent providers by nearly 6%.

The 'new' admissions measures for both under and over 65's are continuing to perform well and are on track to exceed targets despite pressures from DTOC.

Market Position Statement (MPS) progress update – There is an existing MPS for Learning Disability. However, work is ongoing to produce an all up MPS for Adult Care and Housing, ready for 1st April, 2017. This will incorporate best practice from other local authorities and reflect the most current data. Below are examples of current actions that have been progressed:

- **Fair Price for Care**-The annual uplift report has been developed for residential and nursing care and Homecare providers which is due to go to cabinet February 2017 which will meet the national minimum wage for care staff and cost of living which will support the market provider's to pay care staff the right pay to deliver a good quality services across Homecare and Residential Nursing care. This will ensure that the market is sustainable.
- **A Market Sustainability report** is being produced which uses the Cordis Bright framework to understand the risks associated with in the current diminishing market place for adult's social care. This looks at the local, sub regional and regional market place and carries out benchmarking exercise around Residential, nursing and EMI beds within the market place. The MPS will deliver alternative to residential care services:
 - *Shared lives services and respite services (LD) this model should be rolled out to those with complex needs and older people*
 - *Supported living scheme (LD)*
 - *Affordable models for Extra Care (OP)*
 - *Day opportunities*
 - *Wrap around support from hospital to home*

- *More Home care services*
- *Utilisation of assistive technology to support people in their own homes and support cares*
- *Support for family carers*

- **A carers strategy** has been produced to ensure key partners provide adequate support to ensure carers continue supporting their loved ones.
- **Homecare Framework Tender:** 3 Provider have been award on the homecare framework to support hospital discharge
- **Day opportunities tender framework** has been tendered and will deliver both building based and non-building based services for adults with additional support needs. (transforming day care provision)

Corporate Plan action - Adults with learning disabilities are supported into employment enabling them to lead successful lives

Ref No. 2.B10 - Supporting people with a learning disability into employment - Adults with a learning disability are supported into employment remains stable the previously reported actions remain and as part of the Learning Disability and Autism Offer Consultation which commenced 5 December 2016 until 2 February 2017 we will also capture detail around employment and skills.

Corporate Plan action - Improve satisfaction levels of those in receipt of care and support services

Ref No. 2.B11 a) and b) - Overall satisfaction of people who use care and support services - Adult social care continue to seek to improve satisfaction levels of service users and carers through the revised models or working that are being phased in over 2016/17 as part of the Adult Social Care Development Programme.

The quarter 3 and quarter 4 scheduled carer and service user national surveys, are being progressed on schedule and will provide evidence of pace of progress being made. Initial satisfaction findings will be available from April/May 2017 and can be subsequently benchmarked.

Ongoing risks and challenges ahead:

Currently the biggest risk facing adult social care is in-year and recurrent budget pressures. There are particular pressures from transitions, increasing demographics, cost of service pressure due to increases in living wage and changes to pensions. This is further exacerbated by an under developed market and personalisation offer and decreasing budgets.

Pressures on the NHS, in particular the Hospital have an impact across the health and social care economy and these are more prevalent through the winter period.

To ensure sustainability there is a need to refocus resources to prevention however the risk is that these resources are redirected to address immediate pressures and this will not address the underlying issues.

Priority 3: A strong community in a clean, safe environment

Outcome: A. Communities are strong and people feel safe (also contributes to priority 2 – Every adult secure, responsible and empowered)

Lead accountability:

Damien Wilson, Strategic Director – Regeneration and Environment

Shokat Lal, Assistant Chief Executive (measure 3.A5)

Overview of progress:

Good progress is being made to deliver this outcome although national factors are making it difficult to achieve all measures. Some of the key milestones contributing to this action include the approval of the Safer Rotherham Partnership Plan, installation of cameras as part of the Council's Taxi Licensing Policy and the commissioning of the Town Centre Masterplan.

The areas previously reported as areas of concern continue. For example, the number of people borrowing books and other materials has increased from quarter two to three. However, the Council is still not certain that the year-end target will be achieved. This is in line with national trends across the library sector.

Tackling anti-social behaviour, hate crime and domestic abuse remain a top priority for the Safer Rotherham Partnership.

Reports of Anti-Social Behaviour (ASB) have reduced during quarter three compared to the previous quarter and the same quarter in 2015/16. However, for the full year to date it is 6% higher than for the same period last year and unlikely to meet the 5% reduction target. A range of multi-agency interventions continue to take place in hotspot areas and a refreshed ASB Action Plan has been developed that is being driven by the re-launched ASB Priority Theme Group. A meeting will take place in February 2017 to discuss performance and investigate ways of delivering further improvements to the service.

The number of Domestic Abuse cases reported in the quarter has increased and is currently running at 43% more than for the same quarter last year.

Licensing powers were returned to the Council in December 2016. The implementation of the Council's Hackney Carriage and Private Hire Policy has continued throughout the third quarter of the year. All of the requirements that were introduced on a phased basis (by way of the implementation scheme) are now in effect. As a result, licences are no longer issued to individuals and/or vehicles unless all of the policy requirements have been met. The Council can now be confident that the standards that are set for those that we licence are amongst the highest in the country.

As was the case in the previous quarter, three out of the four requirements have seen very good compliance rates (98% or above). However, although the requirement for drivers to obtain the BTEC qualification (or equivalent) has improved

since the previous quarter, it remains low at 62% - details of the potential reasons for this and mitigating actions to address under performance are given in the narrative section below

Based on the latest LGA Satisfaction survey, the question around satisfaction with residents' local areas showed little difference between Rotherham residents (81% who were satisfied with their local area as a place to live) and the national average (83%). Since June 2015, when the poll was first undertaken, this is a slight improvement. When respondents were asked, all things considered, how dissatisfied or satisfied they were with Rotherham as a place to live, 66% said overall they were satisfied. This is an increase of four percentage points since the last poll (June 2016) but has decreased slightly over the course of the four surveys (the only survey result to do so).

Exceptions:

Good/improved performance:	Areas of concern:
Ref No 3.A4 - 100% of eligible Taxi licence holders that have subscribed to the DBS online update service. 98 % of drivers that have completed the council's safeguarding awareness course. 98 % of vehicles that, where required to do so, have had a taxi camera installed (or are committed to having one installed).	Ref No. 3.A1 – ASB cases. 3,298, (115 cases, a 3% decrease on quarter 3 of 2015/16) – however for full year date an increase in 6% on Q1 to 3 15/16. <i>Reduction in ASB is a key priority of the Safer Rotherham Partnership</i>
	Red No. 3.A3 – Domestic Abuse cases 632 a 43% increase on Q3 15/16
	Ref No 3.A4 – 62 % of Taxi drivers that have obtained the BTEC / NVQ qualification.
	Ref No. 3.A6 – Performance within the year continues to improve with regard to new borrowers in the borough's Libraries. However, at end December performance against last year was down by 6%. A number of initiatives intended to improve performance, including increased publicity for e-book services, have been introduced during October - December 2016

Performance story/narrative:

Corporate Plan Action - Ensure that the Safer Rotherham Partnership is robust and fit for purpose. Develop an effective Community Safety Strategy and Performance Management Framework

The Safer Rotherham Partnership Board is well attended by partners; the meetings function well and are effectively chaired by the appropriate Cabinet Member with Commissioner Ney in attendance. Actions are being progressed. A review of the Performance and Delivery Board (PAD) has taken place to ensure that it is fit for purpose and able to drive robust performance improvements. A Partnership Data

Analyst has been appointed and agreement has been reached that the post holder, together with the South Yorkshire Police research analyst sits within the Community Safety Team at Riverside House. Following recruitment of the Data Analyst, work has taken place with the Assistant Director for Community Safety and the Police Superintendent of Partnerships (joint Chairs of the PAD) to ensure the performance monitoring is fit for purpose, relevant and robust. The new performance reporting framework has been welcomed by the Safer Rotherham Partnership and provoked effective discussion and challenge at the December Board meeting. Partnership priorities and the Partnership Plan have been agreed and published

Ref No. 3.A1 Reported instances of anti-social behaviour in Rotherham –

Reports of Anti-Social Behaviour (ASB) have reduced during Q3 compared to the previous quarter and Q3 of 2015/16 however for the full year to date it is 6% higher than for the same period last year and unlikely to meet the 5% reduction.

A range of multi-agency interventions continue to take place in hotspot areas (i.e. areas identified as suffering high levels of ASB); and a refreshed ASB Action Plan has been developed that is being driven by the re-launched ASB Priority Theme Group.

Analysis indicates that overall rowdy/nuisance behaviour accounts for the highest percentage of reports, followed by vehicle nuisance, neighbour disputes and noise complaints.

A performance clinic regarding anti-social behaviour is scheduled to take place in February 2017 when a comprehensive discussion and analysis of ASB will take place. ASB continues to remain a key priority of the Safer Rotherham Partnership and as such anti-social behaviour hotspots, repeat victims and perpetrators continue to be a focus of multi-agency, Case Identification Meetings (CIM), Performance & Delivery Group, theme leads and the weekly Police/Council 'THRIVE' (Threat, Harm, Risk, Intelligence, Vulnerability and Engagement) meeting.

Ref No. 3.A2 Reported instances of hate incidents in Rotherham -

Hate incidents are significantly under reported and efforts continue to be made to address this. It continues to be a priority of the Safer Rotherham Partnership (SRP) to robustly tackle hate crime and improve confidence in victims to report hate crime. For the second year running, the Safer Rotherham Partnership is supporting a community-based project to develop women in the community to be volunteer hate crime advocates. South Yorkshire Police are continuing to promote Operation Solar – an initiative to facilitate informal and anonymous information and intelligence gathering. Reported Hate Crime and Hate Incidents have increased compared to the same period last year and this is seen as a positive. This is as a result of improved reporting procedures and an improved confidence in victims coming forward, either direct to the Police or through third party reporting.

Ref No. 3.A3 Reported instances of domestic abuse in Rotherham -

As with hate crime, it is acknowledged that domestic abuse is under reported. During quarter three there was a 43% increase (189) in recorded incidents. It is a priority of

the Safer Rotherham Partnership (SRP) to robustly tackle domestic abuse and improve confidence in victims to report it.

From 1st January to 31st December 2016 the number of domestic abuse crimes recorded in Rotherham increased by 27% compared to the same period in 2015. South Yorkshire as a whole recorded an increase of 22%, Doncaster 21%, Barnsley 36% and Sheffield 14%. In respect of the current quarter three period compared to quarter three in 2015/16, the 43% increase in Rotherham compares with South Yorkshire 43%, Doncaster 50% , Barnsley 63% and Sheffield 28%.

The Safer Rotherham Partnerships response to domestic abuse has been discussed in detail at its Board Meeting, Improving Lives Select Commission and the Council's Senior Leadership Team meeting in December 2016. An action plan has been agreed and the actions are being progressed by the new Domestic Abuse Co-Ordinator and driven by the Assistant Director for Community Safety & Street Scene. This will include a peer review which is currently being arranged.

The Safer Rotherham Partnership is continuing to work with its South Yorkshire counterparts to investigate the potential to introduce a county-wide Domestic Abuse Perpetrator Programme. Rotherham Rise, the current domestic abuse service provider for Rotherham will be involved in this process.

A new domestic abuse action plan has been developed, managed by the newly re-formed multi-agency domestic abuse priority group, reporting to the Performance & Delivery Group of the SRP with oversight and scrutiny by the SRP Board.

Recruitment to the Domestic Abuse Co-ordinator position has been made and work has commenced to review and refresh the strategies, policies and procedures supporting the business and processes used to coordinate partner activity.

Corporate Plan Action - Ensure an robust, effective and efficient licensing service

Ref No. 3.A4 % of licence holders that demonstrate adherence to the requirements of the Council's Hackney Carriage and Private Hire Policy (Priority measure)

The implementation of the Council's Hackney Carriage and Private Hire Policy has continued throughout the third quarter of the year. All of the requirements that were introduced on a phased basis (by way of the implementation scheme) are now in effect. As a result, licences are no longer issued to individuals / vehicles unless all of the policy requirements have been met. The Council can therefore be confident that the standards that are set for those that are licensed are amongst the highest in the country.

As was the case in the previous quarter, three out of the four requirements have seen very good compliance rates (98% or above). 98% of drivers have completed the Council's safeguarding training; and the remaining 2% of are currently suspended and therefore are not eligible to drive a licensed vehicle.

2% of vehicles have not had cameras fitted. The drivers of these vehicles have not been suspended as cameras were not due to be fitted in their vehicles during quarter three. However, should they not have cameras fitted in their vehicles by the due date they will become automatically suspended from driving their vehicle.

The requirement for drivers to obtain the BTEC qualification (or equivalent) has improved slightly since the previous quarter from 56% to 62%.

It should be noted that, within the policy implementation scheme, compliance with this requirement is verified at the point that a driver renews their licence. As licences are typically valid for a three year period, it is possible that there are a significant number of licence holders that possess the required qualification but this has not yet been verified by the Council (as they have not yet renewed their licence). It should also be noted that 100% of driver licences that have been issued since 6th July 2016 (204 in total) have only been issued if the driver meets the BTEC qualification requirement.

Three new Licensing Enforcement Officers are being recruited in January 2017 which will enable additional proactive checks to take place to identify those drivers that have not yet obtained the qualification and to pursue appropriate enforcement action against those that do not meet the requirements.

Other significant developments of note in the third quarter of the year include:

- The Secretary of State for Communities and Local Government has formally returned the licensing functions back to the council. This is the culmination of a significant amount of work by the council and represents a positive step on our overall improvement journey.
- The Council successfully defended a legal challenge against the requirement for taxi cameras to be installed in licensed vehicles.
- Council Members and officers have attended a number of sessions arranged by the Local Government Association to share our experiences and learning over the past 12 – 18 months. The presentations that were delivered were very well received by those that attended.

The Licensing service has continued to contribute to the delivery of the Council's financial targets by way of ensuring that all appropriate fees are fully recovered, and by working to ensure that our licensing processes are as efficient as possible – areas we are currently working on include:

- The introduction of online applications for the majority of licences.
- Online booking of vehicle compliance tests

Further details on both of these areas of work will be available in future updates.

Corporate Plan Action - Rotherham residents are satisfied with their local area and borough as a place to live

Ref No. 3.A5 a) and b) How satisfied or dissatisfied are you with your local area as a place to live; Overall, all things considered, how satisfied or dissatisfied

are you with Rotherham Borough as a place to live –Based on the latest LGA Satisfaction survey (held in December 2016), the question around satisfaction with residents' local areas showed little difference between Rotherham residents (81% who were satisfied with their local area as a place to live, up from 80% in the June 2016 survey) and the national average (83%). Since June 2015, when the poll was first undertaken, this is a slight improvement, but it has not changed markedly over the course of the last four surveys.

When respondents were asked, all things considered, how dissatisfied or satisfied they were with Rotherham as a whole as a place to live, 66% said overall they were satisfied. This is an increase of four percentage points (from 62%) since the last poll (June 2016), which is closer to the 69% recorded in the first LGA poll when it was held in June 2015 (and had been decreasing slightly over the course of the previous two polls).

These are based on 6 monthly data. The next LGA survey is scheduled for December 2016 and results will be fed in via the Quarter 3 performance report.

Corporate Plan Action - Create a rich and diverse cultural offer and thriving Town Centre

Ref No. 3.A6–3.A7 Number of people borrowing books and other materials (Cumulative) (Priority measure); Aggregate pedestrian footfall in the Town Centre -

Performance within the year continues to improve, however, by the end of the 3rd quarter, performance against the same period 2015-16 was down by 6%. Recent reductions in expenditure on books and other materials for loan may have contributed to this decline; though benchmarking confirms reductions in the number of people borrowing books from libraries is both a regional and national trend.

Whilst the numbers of people borrowing books is showing a slight decrease, there is a substantial increase in the number of people participating in active learning within libraries – including activities related to employment, health and wellbeing and developing IT skills.

A number of initiatives intended to improve performance, including increased publicity for e-book services, have been introduced during October - December 2016. These include:

- Ongoing discussions regarding improvements to town centre library provision.
- A partnership with Grimm and Co has led to joint visits – with schools spending time at Grimm and Co and then visiting Riverside Library.
- Work with the Rotherham Heart Town partnership has resulted in Rotherham being the first town in the UK to use libraries to loan out CPR training kits to local community organisations. The British Heart Foundation is funding kits for all 15 libraries - these include “everything needed to learn CPR in half an hour”. Public access defibrillators will also be provided at all libraries.
- Involvement in Radio Sheffield’s “Radio Reads” initiative.
- Involvement in local events and activities – for example, approximately 1200

people visited Wath Library on 25th November for the Wath Lights Ceremony.

- Involvement in the RTP “Get Rotherham talking” programme – at a “Cuppa and a chat” event at Kiveton Park Library in December, students from Wales High School and local senior citizens met to chat around the topic of how their experience of communication has changed.
- Christmas Events in the town centre and Riverside House included activities with Father Christmas where children were encouraged to join the library

The Library Strategy 2016-19 was approved by Council in October, along with a range of changes to the future service offer and implementation of associated savings proposals totalling £474,000. During 2016-17, the Service is releasing in year efficiency savings of around £250,000.

As part of a longer-term strategy, the service is working on:

- Developing a better understanding of our communities’ reading needs and interests. This will take account of literacy levels as well as tastes and interests. This is about ensuring that we have a book offer which is relevant and appealing.
- Restructuring the service to bring staff in Bibliographic Services and Reader Development together. This will strengthen the relationship between those making decisions about book purchases and those engaging with communities on reader development activities.
- Investment in marketing in order to better promote library services to current non-users. This will address a historic deficit in this area and will be considered as part of a wider review of marketing across the Culture Sport and Tourism department.
- Staff development activity to better equip frontline staff to turn library visits into active borrowing. This is about helping staff to better develop the skills they need to engage members of the public, learners and other visitors with the book stock, helping people to find the books and other materials that they need. Lessons can be learned here from how staff approach working with children, where there is evidence of high usage, quality events and active borrowing

A number of improvement actions are underway to improve the level of footfall in the town centre as follows:

- Continued work on the Town Centre Master-plan with the piece of work aiming to set out the delivery programme for the redevelopment of a number of key sites in the town centre. The work has also included proactive communications with potential investors, particularly focussing on Forge Island and desired potential leisure scheme.
- The purchase of Forge Island is nearing completion and the sale of Westgate Chambers is agreed subject to Planning.
- The Starter Homes Bid being confirmed as successful and securing funding (value tba) for a significant number of new homes in the town centre on three priority sites and a further nine schemes.
- Investments in marketing and promotional activity, particularly during the festive season promoting the independent shopping offer and widening the

events programme to include more culturally diverse events, family friendly activities and extended shopping/ opening hours.

Ongoing risks and challenges ahead:

From the outset the Safer Rotherham Partnership recognised reducing anti-social behaviour reports for 2016/17 compared to the previous year would be a very difficult challenge and indeed reports being received are increasing both on a local and national basis. Previous years' significant decreases in the levels of reported anti-social behaviour have impacted upon the Partnership's ability to continue to sustain those reductions.

Performance against the "active borrower" measure is declining nationally. Locally, previous reductions in opening hours, expenditure on books and other materials, staffing levels and the range of reading based activities have impacted on performance. Also since the relocation of the Central Library numbers of both visits and issues of items have reduced.

The emerging role of libraries as neighbourhood hubs presents many opportunities to encourage new and repeat visitors. The future challenge will be to encourage those visitors to become and develop as readers.

Pedestrian Footfall - There is a considerable risk that the time-scales for completing the major developments that have the most potential to influence footfall in the town centre are such that the performance for remaining quarters will follow similar patterns to those seen in quarters 1 & 2. As a result, activities to develop and promote the retail offer improve all aspects of safety & security and widen the appeal through events and promotions will continue.

In addition the retail sector is in transition and town centres are especially affected by increases in online shopping and out of centre competition. A major planning application has been submitted to Sheffield CC for a significant leisure scheme at Meadowhall which could be a risk to the ambitions for Rotherham Town Centre.

Outcome: B. Streets, public realm and green spaces are clean and well maintained

Lead accountability: Damien Wilson, Strategic Director – Regeneration and Environment

Overview of progress:

Good progress is being made to deliver a cleaner, greener Rotherham with key investment being committed and helping to improve the standard of 'estate' roads.

Numbers of ground maintenance complaints has reduced during the 3rd quarter, compared to the 2nd quarter of the year and performance around remedial works remains high.

The number of bin collections missed has improved from the second quarter and it is anticipated year-end collection and recycling targets will be achieved.

Exceptions:

Good/improved performance:	Areas of concern:
Ref No. 3.B4 - 0% of grounds maintenance works, following re-inspection, achieve no more than 5% defective/not to standard works. (Priority Measure) <i>This measure validates the process of carrying out remedial works.</i>	
Ref No. 3.B5 – 38.21 missed bin collections per 100,000 collections in Q3, against a target of 60.	

Performance story/narrative:

Corporate Plan Action - Deliver a cleaner, greener Rotherham to ensure that it is a safe and attractive place to live, work and visit

Ref No. 3.B1- 3.B4 Levels of Street Cleanliness not more that 5% of sites are considered to be below standard (Grade A or B in CoP); **Road Networks** in need of significant repair; **Effective enforcement action**; **Following re inspection of grounds maintenance works** achieve no more than 5% defective/not to standard works (Priority measure); **Number of Grounds Maintenance customer contacts**

Quarter 3 saw grounds and cleansing services continuing to meet target times and performing well.

Customer contacts regarding grounds issues were again lower than in the same quarter last year and Quarter2 of 2016-17. Customer contacts normally peak during the 2 quarter when grass cutting teams are out and about and it is anticipated call levels for Q3 and Q4 will be lower and unless there is some unexpected incident the

annual total will be as expected. Further analysis of the contacts received during Quarter 3, shows that 4 customer complaints were received out of a total of 73 contacts.

There is marked improvement in the current year around strengthened enforcement to tackle fly-tipping and other enviro-crime offences. The measure on fly-tipping prosecutions measured cumulatively at 8 at the third quarter stage for 2015/16 and at the same stage for 16/17 stands at 21.

The measure on other enviro-crime prosecutions for Q3 2015/16 was 34 and at the current year's quarter 3 stage is 185.

Whilst the current year's performance is a baseline measure, there is clear improvement across both measures. Both areas of activity support the Council's drive to strengthen enviro-crime enforcement to change behaviours and provide a deterrent.

The Highway Network Management Team carried out a Members Seminar on the 11th October regarding the principles of following good asset management techniques to maximise the available funding to repair as much of the highway network as possible.

By the end of Q3 the Council delivered patching and resurfacing works on 224 roads with almost 400,000sqm repaired.

The works have been undertaken on -

- 11 - A Class Roads
- 10 - B Class Roads
- 23 - C Class Roads
- 161 – U Class Roads

Corporate Plan Action - Ensure an efficient and effective waste and recycling service

Ref No. 3.B5–3.B6 Number of missed bins per 100,000 collections; % of waste sent for reuse (recycling and composting) - The missed bin performance, 3.B5, is showing an improvement over Q2 reducing to 38.21 missed bins per 100,000 collections. This compares favourably with the Association for Public Service Excellence (APSE) performance report 2014–15 which reports an average 61.12 missed bins for the full year performance for APSE reporting authorities. As reported in Q2 the introduction of weekly performance meetings for frontline supervisors has helped to focus attention in this area. This work includes an analysis of missed bins by collections crews which is discussed with the delivery staff. This provides focus to areas requiring improvement along with other service delivery activities and continues to improve performance in this measure.

The measure on waste recycling is on track to meet its anticipated target of recycling 45% of all Household waste collected by the authority. Quarters 1, 2 and 3's performance is currently achieving a 47.28% level of recycling due to the "front loaded" collection of garden waste that occurs across the growing season of April to

October. As reported in Q2 as this waste stream tapers off, the overall recycling rate will reduce. We are still forecasting to achieve the 45% recycling target by 31.3.17.

The annual waste calendars have been issued November/December 2016 that promoted and encourage recycling and the correct use of waste containers and Household Waste Recycling Centres. The Council will continue to engage with the public to recycle through an informative yet instructive sustained campaign via the Council's own web site, intranet, newsletters, bulletins and twitter and possibly local Press with a further promotional push in Feb/Mar prior to the re-commencement of Garden Waste Collections in April. Waste Collections throughout the Christmas period were completed as planned.

Ongoing risks and challenges ahead:

The recycling performance will drop from the current 1st, 2nd & 3rd quarter's level of around 47.28% as kerbside collection of garden waste cease from the 28th October until April 2017, therefore reducing recycling material collected. Garden waste can still be recycled at our 4 Household Waste Recycling Centres. It is still anticipate that we will meet the overall target of 45% through levels of recycling to date and continued recycling of other material streams.

It is anticipated that further improvements in recycling performance may be achieved by the joint Barnsley, Doncaster, Rotherham PFI residual waste treatment facility with the introduction of new and improved machinery installed within the plant to aid recycling material reclamation. However, there has been a national year on year reduction in recycling of paper, card, bottles and cans as the growth in on-line media reduces the amount of newspaper circulation and the industry wide drive to change or reduce the amount of material used in packaging.

Priority 4: Extending opportunity, prosperity and planning for the future

Outcome: A. Businesses supported to grow and employment opportunities expanded across the borough

Lead accountability:

Damien Wilson, Strategic Director – Regeneration and Environment

Overview of progress:

Actions to deliver economic growth in the borough have continued to progress satisfactorily throughout the 3rd quarter. A full suite of data used to measure progress against this outcome will be available and reported at the end of the financial year.

Exceptions:

No exceptions - currently no data for 2016/17 due to annual measures.

Performance story/narrative:

Corporate Plan action - Deliver economic growth (via the Economic Growth Plan, Business Growth Board and Sheffield City Region - SCR)

Ref No. 4.A1 – 4.A6 - Survival rate of new businesses (3 years) (Priority measure); Number of jobs in the Borough (Priority measure); Increase Number of Business Births / Start Ups per 10,000 Resident Population 16+ years old); Overall number of businesses in the Borough (Priority measure); Narrow the gap to the UK average on the rate of the working age population economically active in the borough; Median average gross weekly wage for full-time employees working in the borough (percentage of UK average) -

The measures are linked to delivery of the Rotherham Economic Growth Plan, delivery of which is continuing; with the Business Growth Board of the Rotherham Together Partnership leading on this work.

The measure on median average gross weekly wage for full-time employees working in the borough as a percentage of national average (4.A6) has reported latest statistics for the period up to 31 March 2016. This shows a decline in the % from 90.7% to 89.9%; however, the Annual Survey of Hours and Earnings (ASHE) is potentially unreliable at a local authority level given the small sample size. It can fluctuate significantly and it is the longer-term trend that is considered more important (Rotherham has been around 90% of UK for several years). In view of this the decline is not considered by the service to be of concern.

Three sub-groups covering “Skills and Employability,” Business Development” and the “Town Centre” meet every 6-8 weeks. The groups have developed a list of projects they feel will help drive economic growth and are currently seeking funding

for these. They are also undertaking a review of progress during the last year and producing work plan for 2017/18, which will be taken to the next meeting of the main Business Growth Board.

The first annual review and monitoring of the Economic Growth Plan is currently taking place and will be taken to the Business Growth Board, and subsequently SLT and/or Cabinet during the first quarter of 2017.

Work has commenced on the Town Centre Masterplan, led by the consultants contracted to produce the plan, White, Young and Green. The finished document due in April/May 2017. Workshops are being held with a range of stakeholders, including Members, house builders and potential developers.

Bids have been submitted to the SCR for funding for a number of capital projects. The following 3 projects were agreed to proceed to a full bid following Expressions of Interest.

- Purchase of Forge Island
- Works to the A618/A57 linked to the Gulliver's Theme Park
- Purchase of the AMP Technology Centre

The SCR Launchpad Project is now operating in Rotherham. This is an innovative new delivery programme based on lean start-up business modelling techniques. Two workshops have been held since November, one to develop ideas, the other about starting a successful business. The workshops were available to all Rotherham residents and further start-up activity will be developed throughout the year.

The UK Steel Enterprise Accelerator is currently underway with 9 businesses from across the SCR taking part. A pitch event is scheduled to be held on the 2nd February 2017.

Sheffield and Rotherham Councils have together been successful in a bid to the Department for Transport for around £1.4m. This funding is to develop transport solutions for the AMID (Advanced Manufacturing Innovation District) and to assist with congestion at M1 Junctions.

Ongoing risks and challenges ahead:

Delay in the Tram/Train trial project, now due Summer 2018, will delay improved connectivity of Rotherham to the Sheffield City Region, (SCR).

The nature of the Rotherham property market may mean that innovative financial solutions will need to be found for projects, this is mitigated by applying for funds via SCR and other routes. .

The uncertainty caused by the Brexit decision may result in a loss of funds to Rotherham due to changes to European funding, although the most recent advice from government is they will honour any awards made prior to the UK officially leaving the European Union, likely to be 2019 onwards.

Outcome: B. People live in high quality accommodation which meets their need, whether in the social rented, private rented or home ownership sector (also contributes to priority 2 – Every adult secure, responsible and empowered)

Lead accountability:

Anne Marie Lubanski, Strategic Director Adult Social Care and Housing

Overview of progress:

The good progress made by the Council during the first two quarters of the year to enable people to live in high quality accommodation in the borough has been maintained through quarter 3. The % of non - decent Council owned properties in the borough is continuing to reduce, numbers of private landlords applying for licenses within Selective Licensing areas as part of the Councils Selective Licensing Scheme and complying to the terms and conditions of the scheme have increased and a further 2 new homes for affordable rent have been provided. The overall number of new homes provided in the quarter was 96 bringing overall completions in the year to 475. This is a reduction from quarter 2 when 178 new homes were delivered and it is unlikely the Council will now meet its target to provide 731 new homes by the end of quarter 4.

Exceptions:

Good/improved performance:	Areas of concern:
Ref No. 4.B2 – the % of the Councils stock that is non decent at the end of quarter 3 is 0.13% (which equates to 26 properties.) The annual target is 0.5% (Priority measure)	Ref No. 4.B1 - 96 new homes have been built in the quarter bringing the total for the year to 475, against a target of 731 (Priority Measure)
	Ref No. 4.B4 – Targets for increasing new affordable home ownership units in the borough have not been met but following government announcements the prospects for increasing this are improving.

Performance story/narrative:

Corporate Plan Action - Implement the Housing Strategy 2016-2019 to provide high quality accommodation

Ref No. 4.B1–4.B4 Number of new homes delivered during the year (Priority measure); % of stock that is none decent (Priority measure); Number of new social rented homes started in year; Number of new affordable home ownership units started in year –

Performance within the Housing Service generally is very strong and by the end of the 3rd quarter 33 of the 39 indicators used to measure the service are on target.

Work is taking place to improve performance against the remaining 6 indicators. The suite of indicators used to measure the overall strength of the service supplement the measures already being used to deliver the priorities within the Corporate Plan and contribute positively towards helping tenants live in high quality accommodation provided by the Council. For example, some indicators monitor delivery of the Repairs and Maintenance Service which contribute towards ensuring properties are kept in good state of repair. Similarly other indicators in the suite cover areas of service such as empty homes and these ensure properties being made available to let for new tenants meet the Council's Lettable Standard.

The good performance made by the Council to maintain properties at the decency standard previously reported in quarters 1 and 2 has been maintained through the last quarter. By using its stock condition information effectively at the beginning of the current financial year the Council assessed that 237 properties would become non decent during the course of the year. The assessment the Council made at the beginning of the year was accurate and by the end of quarter 3, following the delivery of programmes of work to non - decent properties by the Council's major Repairs and Maintenance Partners, Wilmott Dixons and Morrison's the figure of non - decent properties is now reduced to 26. These 26 properties will now be brought up to the decency standard during the final quarter of the year and the Council is confident its year -end target for non - decent properties (0.5% of its stock) will be exceeded.

Following recent government announcements the Council's future prospects to provide additional homes to rent and buy in the borough are bright. The Council has also been notified it has been selected as part of a list of 30 Local Authorities to spearhead the Government's Starter Homes Programme. Nationally £1.2 billion pounds is available to support these projects. The Council has made a bid for £32 million pounds to part fund 1014 new homes. Details of the Council's allocation are not yet known although a decision is imminent. 12 sites have been identified in the town centre where starter homes will provide up to 50% of the new housing offer. 6 of these sites are in Council ownership and of these 3 are "go early" sites which are ready for development. The go early sites identified are Sheffield Road car park, Millfold House and Henly's garage site on Wellgate. Starter Homes can be purchased by people between the ages of 23 and 40 who are first time buyers. Property values will be capped at £250,000 for properties outside London and £450,000 in the Capital.

Corporate Plan Action - Private rented housing – improving standards through selective licensing

Ref No. 4.B5 a) and b) % of eligible properties which have applied for a license, within Selective Licensing areas (Priority measure); % of privately rented properties compliant with Selective Licensing conditions within designated areas (Priority measure) – Work to implement the Council's Selective Licensing Scheme is continuing to progress well. In the early part of the year the Council identified that in Eastwood and Dinnington there were significantly more private rented properties than had originally been estimated when the target for this indicator was set, based on information from the 2011 Census. The result of this was that the performance information provided by the Council for the whole of the Selective

Licensing Scheme was skewed. To deal with this and provide more meaningful and accurate information the Council now caps performance across all Selective Licensing areas at 100%. Performance for landlords applying for licences under the scheme at the end of quarter 3 is 92%.

In the final quarter of the year new staff coming into the team will be targeted to increase, from 77%, numbers of landlords applying for licenses in Maltby, the only area within the scheme currently operating off target.

By the end of the third quarter, 1,396 applications were received to register for licenses under the scheme. Of the applications 1,203 licences have been granted and 8 applications refused based on the fact that the proposed licence holder is not considered a fit or the proper person to hold a licence. 3 cases are also proceeding to prosecution case as replacement applications have not been received.

The inspection regime implemented by the Council to ensure landlord compliance with the terms and conditions of the Selective Licensing Scheme is also continuing to operate well. By the end of quarter 3, 700 of the 1200 licensed houses have been inspected and where non-compliance has been identified remedial actions have been taken to prevent formal action being taken by the Council. 86% of properties have been found to be broadly compliant with housing legislation, which is very positive. This performance however, should perhaps be treated with caution as the inspections have mostly taken place in properties applying in the early part of the scheme and therefore may be more likely to be compliant.

It is anticipated that increased enforcement action may be required as the scheme progresses through the end of 2016/2017 and into the new financial year.

Ongoing risks and challenges ahead:

Following the Government's announcement to provide additional funding to increase the supply of housing in the borough the challenge faced by the Council now is to ensure programmes of work are in place to increase the supply of accommodation available as quickly as possible.

Outcome: C. Adults supported to access learning improving their chances of securing or retaining employment

Lead accountability:

Ian Thomas, Strategic Director – Children and Young People's Services

Overview of progress:

The profile for internal delivery is on target and any underperformance is specifically related to recruitment of learners by sub-contractors. Enrolments by sub-contractors are significantly under profile primarily as a result of the limitations of the Yortender Commissioning portal. The timescales set by procurement and the complexity of the updated system has seriously affected the number of organisations submitting funding applications. The service has invested considerable time and resource to address this but as yet has had little success.

2015/16 performance confirmed and reported to SFA by 20 October 2016 for the academic year:

• Enrolments	-	Target 3500	Actual 1500
• Success Rates	- Adult Skills Budget (ASB)	Target 80%	Actual 60%
	Community Learning	Target 85%	Actual 84%
• Progression	-	Target 60%	Actual 69%

2016/17 targets and performance year to date against profile as of month 4 period, first term for period ending 31 December 2016):

• Enrolments	-	<i>(Dec 16 profile)</i>	Target 780	Actual 372
• Success Rates	-	ASB	Target 80%	Actual
		Community Learning	Target 85%	Actual 100%
		<i>(100% for the 10 completers ytd and 100% retention to date)</i>		
• Progression	-		Target 60%	Actual
		<i>(collection of in-year progression data will be available for the next quarter)</i>		

Performance data is now supported by more detailed reports and analysis of performance by the Information Team within the Skills Funding Agency (SFA). Internal data systems have been developed for all areas monitored by the SFA and are interrogated by Ofsted during Inspections. There is still work to be done to ensure that data analysis is effective enough to highlight any potential areas of concern and risks to RMBC.

An improved 'Initial Assessment' processes, earlier identification of additional learner needs, a more stringent system of monitoring learner progress and identification of

learners 'at risk' of leaving early or failing to achieve qualifications have been introduced for 16/17 designed to improve learner success rates.

Exceptions:

Good/improved performance:	Areas of concern:
	Increase the % of people aged 19+ supported through learning to obtain a formal qualification – increase both enrolments and success rates.
	Ensure that the Service is fit for purpose to prepare for Devolution and potential conflicting priorities between City Region and Rotherham adult skills priorities
	Overall the number of people aged 19+ supported through a learning

Performance story/narrative:

Ref No 4.C1 - Adults are supported and have access to learning opportunities

The Council's priorities for its adult education budget are in line with Government priorities for the use of this funding – namely to target:

- Adults living in the most deprived communities
- Adults with no formal qualifications
- Adults who have not reached NVQ level 2
- Adults with disabilities or limiting illnesses
- Adult with poor mental health
- Men
- Older people
- Families where no parent is working
- Unemployed people
- Carers
- BME communities

2016/17 Annual targets for learner enrolment **1,950**

Most learners are still in learning so success rate and progression data cannot be calculated until they complete their course. Of the 10 completers to date, 100% success rate achieved. The development of a process to support in-year monitoring and reporting of progression data is planned for the early New Year.

Enrolment to the bulk of ESOL courses starts in January. So far we have enrolled 7 learners. With the introduction of pre-entry level courses planned recruitment for 2016/17 should exceed the target of 50.

The service is currently developing partnership working with both internal and external stakeholders. More effective partnership arrangements will ensure that the ASB funding is used more effectively in the support of Council priorities

The Service continues with its programme of learner consultations and has further developed the Learner Forum to inform future learning provision so it better reflects the needs of the learners. Learner Feedback systems and learner focus groups further support the collection of information to ensure the ongoing service improvement.

Ongoing risks and challenges ahead:

Based on preliminary analysis of performance data against minimum levels of success, against SFA standards for 15/16, it is likely that the service will be issued with Notice to Improve – under performance against some learning aims and data monitoring issues continue. Work has been carried out to identify the causes of any underperformance and measures are being developed to provide an effective response.

The devolution of AEB to Sheffield City Region is likely to have a significant impact on prioritisation and allocation of funding beyond 2016/17. Changes to the funding rules for AEB may impact on the delivery against target enrolments as the service faces increasing competition from other providers as many of the target learners are already supported by other funding strands.

A complete review of the Quality Assurance Framework is planned and the sign off of the self-assessment is scheduled on the agenda at DLT on 31st January 2017, in preparation for a possible Ofsted inspection.

Priority 5: Running a modern, efficient Council

Outcome: A. Maximised use of assets and resources and services demonstrate value for money

Lead accountability:

Judith Badger, Strategic Director – Finance & Customer Services

Overview of progress:

With continued cuts to central funding it is vital that the Council is excellent at collecting local revenues, in particular Council Tax and Non Domestic Rates, which currently account for over 65% of the Council's annual funding to provide services to citizens.

At this stage in the year, it is pleasing to note that the revenues collected from Council Tax and Non Domestic Rates are generally in line with the Council's financial planning assumptions, as set out in its Revenue Budget approved by Council.

Exceptions:

Good/improved performance:	Areas of concern:
Ref No. 5.A1 - % Council Tax collected in year was 80.83% at the end of December 2016 which is 0.27% below the figure as at end of December 2015.	<i>The reduction in the in-year collection is an emerging issue that will need to be carefully managed over the next quarter to ensure that the collection target of 97% is achieved. The primary reasons for the reduction: are the System downtime (5 days) that occurred in the last quarter; and the increased backlog in workload as a result of this and the stopping of overtime working to help manage in-year spend.</i>
Ref No. 5.A2 - Cumulative Council Tax arrears was 45p per property lower as at the end of December 2016 compared with the end of December 2015. Performance is on course to achieve the target of top (best) quartile metropolitan councils which was £109.22 per property last year.	
Ref No. 5.A3 - % Non-domestic rates collected in year was 81.65% at end December 2016 which is 0.45% above the figure as at the end of December 2015. This measure is presently on course to achieve the 98.0% target by year end.	

Performance story/narrative:**Action - Maximising the local revenues available to fund council services**

Ref No. 5.A1 Council Tax in-year collection – This year the Council is expected to collect £110.5m an increase from last year of £6.5m of which we expect to collect 97% in-year. At this stage in the year, the collection rate of 80.83% is 0.27% below the same time last year, however, it is still on target albeit with only limited room for any further reduction.

Ref No. 5.A2 Cumulative Council Tax arrears - measures the amount of unpaid Council Tax from previous years per property. This is currently £0.45 per property lower than the same time last year, and is on course to achieve the target.

Ref No. 5.A3 Non Domestic Rates (NDR) collection - The amount of business rates to be collected is £79.9m an increase of £2.7m from last year. At this stage in the year the collection rate achieved is 0.45% above last year and performance is still on course to achieve the year-end target.

National data published by DCLG for 2015/16 shows Rotherham's Council Tax and Non Domestic Rates collection performance relative to other similar councils continues to be excellent.

Ongoing risks and challenges ahead:

The Council is becoming increasingly dependent on the revenues it can raise locally to fund its services and with central government grant funding to end by 2020 excellent revenues collection will become ever more important.

Council Tax collection is 0.27% below last year's performance. This fall in collection levels is predominantly as a result of system issues, which has resulted in a loss of access for five days during October and November and the cancellation of a court hearing, and also a stop on overtime working to help manage in-year spend.

Should performance remain at 0.27% down on last year as at the year end, the target of 97% will be achieved; however there is now little room for further performance slippage.

The latest welfare reform the revised benefit cap came into effect from December 2016 when the maximum benefit for a family reduced from £26k to £20k. This has resulted in 272 families in Rotherham losing an average of £48.08 per week in Housing Benefit which will further impact their ability to make Council Tax payments. The council had a number of roadshows for affected families prior to the introduction of the cap where families could seek advice from numerous agencies. Ongoing new families affected will be signposted to available advice.

Outcome: B Effective governance arrangements and decision making processes are in place

Lead accountability:

Judith Badger, Strategic Director – Finance & Customer Services

Shokat Lal, Assistant Chief Executive

Overview of progress:

Improvement progress within Children and Young People's Services continues to be made, scrutinised through the Children and Young People's Services Improvement Board. Progress with improvement in other service areas, as well as in the council's corporate working and governance arrangements. This is monitored by the Joint Improvement Board (Chaired by the Lead Commissioner) which has a key role in helping to assess prospects for returning decision-making control of services to the Council, as appropriate.

New service planning and performance management arrangements continue to be implemented and risk management is developing, with a new Risk Policy and guide scheduled for approval within the next month. Improvements in information governance are being implemented; as are procurement arrangements.

Recommendations arising from the Overview and Scrutiny are a key indicator of the strength of the council's governance arrangements. Overall, there has been solid progress in implementing the pre-decision scrutiny arrangements ahead of Cabinet and Commissioner meetings. Recommendations arising from other Overview and Scrutiny activity have yet to be formulated as reviews are still in progress.

Exceptions:

Good/improved performance:	Areas of concern:
Ref No. 5.B3 - Acceptance of recommendations from pre-decision scrutiny is currently at 100% at the end of quarter three.	Data on recommendations from other Overview and Scrutiny activity is not yet available, as reviews have not yet been completed or reported back to Cabinet.

Story/narrative:

Corporate Plan Action - Establishing and working to a new Local Code of Corporate Governance

Ref No. 5.B1 Fit for purpose Annual Governance Statement 2016/17 (Priority measure) - The Council was given a qualified (negative) opinion on the effectiveness of its governance arrangements in its Annual Governance Statements for 2014/15 and 2015/16, which reflects the outcomes of the Jay, Ofsted and Casey Reports and subsequent government intervention. The Annual Governance Statement 2015/16, which was published in September 2016, reflects positive progress made during the year and highlights the further steps that need to be taken

to achieve an unqualified opinion on the Council's governance arrangements in the 2016/17 Annual Governance Statement. Outside of improvements in key services, the further steps required include making improvements in a range of corporate arrangements such as service planning, performance management, risk management, procurement, information governance and the management of major projects.

Corporate Plan Action - The Scrutiny function is effective; engages members and improve outcomes for Rotherham residents and communities

Ref No. 5.B2 – 5.B3 % of scrutiny recommendations which are accepted and implemented; Number of pre-scrutiny recommendations adopted - The pre-decision scrutiny process has become embedded within the decision-making process and has been positive to date for scrutiny Members, executive Members and officers. A pattern has emerged in the first two pre-decision scrutiny sessions where Members have been able to add value to the proposals brought forward. At the October, November and December pre-decision scrutiny meetings, Overview and Scrutiny Management Board has, on average, identified three reports for scrutiny and made recommendations on each and confirmed its support for the proposals. Where additional recommendations have been, these have been adopted by Cabinet and Commissioners when making final decisions on proposals.

With regard to other Overview and Scrutiny recommendations, it remains the case that no review activity has yet been completed and reported back to Cabinet. The Select Commissions are making substantive progress towards delivering recommendations to the appropriate decision makers in due course.

Ongoing risks and challenges ahead:

Any reversal of progress in Children's Services or any failure to improve other services to enable their return to Council responsibility could prevent the issuing of an unqualified opinion in 2016/17. Failure to develop sufficient and effective corporate arrangements could have a detrimental impact on the year end opinion.

Overview and Scrutiny exists to provide challenge and ensure that decision makers have included mitigations to risks that arise in respect. The challenge is maintain momentum and the culture of openness and good governance that pre-decision scrutiny is grounded in. Focus by Members on the areas prioritised for scrutiny is critical to ensuring that recommendations are forthcoming from other areas of scrutiny activity

Outcome: C Staff listen and are responsive to customers to understand and relate to their needs

Lead accountability:

Judith Badger, Strategic Director – Finance & Customer Services

Shokat Lal, Assistant Chief Executive

Overview of progress:

The number of complaints continues to be received at the higher level experienced in quarter two at 275. This appears to show a consistently higher number received than during the previous two years; and, at the point of quarter three an estimate is that the end-of-year total could be in the order of 1,000 (compared to the c. 700 received in the previous two years). This reflects a change in emphasis to ensure that more customer enquiries and issues are processed as formal complaints so that they receive investigations by managers and learning is captured for the purposes of service improvement. Despite this continuing high number of complaints received the Council's response rate has again improved in the quarter to 86% (from 82% in quarter 2 and 79% in quarter 1) – exceeding the cumulative target set for the year.

The Council is actively developing its on-line offer in response to customer demand. The project to refresh the Council's existing secure on-line portal Your Account is making good progress and will be launched in December.

The Local Government Association (LGA) resident survey undertook in December 2016 showed statistical improvements in two key areas: 50% of respondents stated that they trust the Council (8 percentage points higher than when first polled in June 2015); and resident confidence in the Council stood at 49% (also 8 percentage points higher than the first poll).

Exceptions:

Good/improved performance:	Areas of concern:
Ref. No. 5.C1b Numbers of complaints responded to within timescale is now at 86%, above the target of 85%, representing a steady increase in performance since quarter one (and in the context of an increase in the numbers of complaints being investigated during the year).	Ref. No. 5.C1a – as reported in Quarter 2, while not a concern in itself, it is worth noting that the numbers of complaints being investigated by the Council remained at the high level experienced in Quarter 2. Overall this is not impacting on response timescales, and reflects efforts to investigate more of customers' issues through the formal processes, so that learning can be captured. But the situation will need to continue to be monitored.
Ref No. 5.C3-5.C4 – residents' survey showing 8% increases in people having trust and confidence in the Council (i.e. since survey first held in June 2015).	

Performance story/narrative:***Corporate Plan Action - Treating customer complaints with respect and dealing with them in an efficient and outcome-focussed way***

The numbers of complaints received by the Council has been in line with the total for Quarter 2 (271) at 275. This compared to the lower level of 205 in Quarter 1 and is significantly higher than quarterly figures for 2015/16.

As reported previously, the Council has taken a number of steps over recent years to make it easier for complaints to be made, so that the appropriate steps can be taken to address the issues and problems residents wish to raise. The numbers of complaints now being investigated reflect the increased efforts to capture learning and ensure appropriate management oversight of customers' issues. This is not necessarily a negative development. The Corporate Complaints Team is working to ensure that regular reporting to senior and directorate management teams includes analysis on the emerging patterns and trends; as well as help ensure that all learning is taken on board.

Despite this sustained higher level of complaint investigations compared to previous years, there has been an improvement in the numbers being responded to within the required timescales, up to 86% which is above the 85% target for the year. This is an increase from the 82% in Quarter 2 and 79% in Quarter 1. Previously reported challenges in responding to complaints within the Regeneration Environment Directorate (specifically Waste Management) have been tackled and this reflects a key factor in the improved performance overall.

Numbers of compliments received saw an increase from 168 in Quarter 2 to 226 in this quarter. This is higher than the 183 reported in Quarter 1 and reflects efforts with Directorates to ensure that this information is effectively captured for performance reporting purposes.

Action - Resident satisfaction - Assessing overall public opinion on the way the council is working and responding to customers

Ref No. 5.C3 – 5.C4 % of residents satisfied with the way RMBC runs things; % of residents that have confidence in the RMBC – During December 2016, the Local Government Association (LGA) undertook its fourth satisfaction survey with Rotherham residents. Comparing figures to the first poll undertaken in June 2015, there are two significant statistical improvements.

- Firstly, 50% of respondents stated that they trust the Council, 8% higher than when first polled.
- Secondly, resident confidence in the Council has also increased by eight percentage points since June 2015 - now 49%.

Overall, all questions have seen a percentage rise since the last survey undertaken in June 2016 and over the course of all four polls there has been a slight improvement. These questions focus on key areas around satisfaction,

responsiveness and value for money.

Corporate Plan Action - Enable customers to be active and interact with the Council in an efficient way, accessing more services online

Ref No. 5.C5 % of transactions - The new Digital Strategy has been approved by Cabinet and a plan is being developed to deliver the strategy. A Members briefing has taken place, outlining the strategy. The new iteration of Your Account is on schedule to go live in December with a push to increase online use at the same time. The Council's website continues to be developed in response to customer feedback.

Ongoing risks and challenges ahead:

The major barrier to increasing the number of online transactions is digital exclusion. When our citizens are unable or unwilling to get online we will be unable to deliver our channel shift aspirations. In the interest of tackling digital exclusion the Council now provide free citizen Wi-Fi in all libraries, customer service centres, the Town Hall and museum. Libraries continue to run targeted events to encourage digital take-up and some self-service kiosks are being installed in Riverside House to encourage customers to transact with the Council online.

Outcome: D Effective members, workforce and organisational culture

Lead accountability: Shokat Lal, Assistant Chief Executive

Overview of progress:

The target for PDR completion (95% of staff) has been achieved. However, sickness days still remain below target, with agency staff costs increasing.

Members have been provided, including via the Newsletter on 2nd August, with information on how to progress with their personal development plans and have been provided with self-assessment and short questionnaire to complete to commence this process for the current municipal year.

New behaviours and values have been launched via a communications campaign across the organisation and an awards event celebrating those living to the values took place on the 24th November with further publicity following the event

Quarterly reporting on performance is an important step in establishing a performance-focused culture across the organisation, linked to the newly set out values and behaviours which underpin a refreshed approach to performance management process for all staff.

A dedicated, Member-led working group (Chaired by Cllr Yasseen) has been established to look at issues of member development across the board, including the process of Elected Member Performance Development Reviews in the current year. The next steps are being discussed in this working group.

It is also worth noting that consideration of the second quarter performance report on the 2016/17 Corporate Plan at the Council/Commissioners meeting on 14th November 2016 demonstrates that a performance-focused culture is starting to be embedded across the organisation which provides elected members with improved information. Feedback from members will continue to inform and improve how this information and intelligence can be presented and improvement have been made for this Quarter 3 report.

Exceptions:

Good/improved performance:	Areas of concern:
Ref No. 5.D1 % PDR completion is now at 96% compared to a target for the year of 95%, with three Directorates exceeding the target	Ref No. 5.D2 Sickness days lost per FTE is 10.70 days (excluding schools) – target is 10.2 days (Priority Measure)
	Ref No. 5.D3 Reduction in agency staff cost target is a reduction of 10%. Current figures show an increase of 43% (Priority Measure)

	Ref No. 5.D4 - Activity remains underway to support the target for 85% of members to have a personal development plan, but this is subject to members committing to a positive approach personal development planning
Performance story/narrative: <i>Corporate Plan Action - Staff and managers have an opportunity to reflect on performance, agree future objectives and are aware of how they contribute to the overall vision</i> Ref No. 5.D1 % PDR completion - Timely completion of effective PDRs is vital in ensuring that staff and managers have an opportunity to reflect on their performance and how their future objectives contribute to the overall vision. Completion of PDRs - exceeded the 95% target. The HR team commenced a review of completed PDRs in October to check on the quality of the submissions. Findings will be reported to SLT by the end of January, together with recommendations for changes to the process for 2017. Approx. 50 interviews have taken place with reviewers and reviewees and a moderation meeting has taken place to review findings. Review of files is in progress. A 'lessons learned' exercise will be carried out in the New Year to further improve both the process and the quality of appraisal. Two phases of PDR enhancements will follow. The first phase will focus on incorporation of the values and behaviours, clarification of mandatory training and consideration of career progression/succession planning needs to be introduced by March 2017. A second phase looking at a more fundamental review of the performance elements and options for online completion/recording will be completed by March 2018. Ref No. 5.D2 Days lost to sickness absence - decreased in the quarter but performance is still off target. One factor in this is thought to be the extent of reorganisation and change processes creating staff uncertainty. The HR Service has continued targeted support to individual managers by Business Partners and systems based reminders where action is required. A number of workshops for managers have been held – e.g. Regeneration and Environment, where the Strategic Director attended and emphasised the importance of timely action. In CYPS a 6 month programme of support agreed in May is currently being reviewed and refocused for a further period. In addition, HR is seeking SLT agreement to a reorganisation of how it supports management of sickness. It is proposed that the most difficult outstanding cases be managed corporately by a dedicated, specialist team focussed on managing them to resolution. New cases will be triaged to ensure that action is immediately focussed on difficult cases. HR is revising the e-learning package for managers and this will be used in	

conjunction with a further corporate programme of manager workshops with 200 places currently planned under the Brilliant Basics programme.

The process of revising policies will begin in the New Year in conjunction with Trade Union colleagues and learning from the Health and Safety sub Group will be added to these; in the meantime the team update current practice and advice to plan quicker outcomes more robust management of appropriate cases.

Workforce metrics are being augmented through the HR system and used at DMTs.

Corporate Plan Action - Reduced use of interims, temporary and agency staff through effective and efficient recruitment

Ref No. 5.D3 Reduction in Agency cost (Priority measure) - The Council's use of temporary and agency staff remains at increased levels following two months of reduction in April and May 2016.

The expenditure trend worsened significantly in June and can be partly attributed to late submissions of invoices for payment and a shift of expenditure previously classified by the Council as "consultancy" to "agency", in the interests of more focused monitoring and management attention.

As part of workforce management arrangements agreed with the Chief Executive, a new Workforce Management Board, led by the Assistant Chief Executive and consisting of Assistant Directors, will introduce a control process with use of agency staff requiring explicit directorate and Board sign off; the Board will propose targets for reduction in spend to SLT and pursue achievement of reduction targets.

The outcomes and action plan from the Pulse Survey and follow up Focus Groups have been published. A communications pack has been used by Directorates to share the results and action plan with employees. Reporting of progress against action plans has commenced.

Manager development programmes remain in place and engagement is taking place with all the Council's M3 (senior) managers through regular M3 managers meetings. The Brilliant Basics Programme is under way and further elements are being identified and prepared.

The full Strategic Leadership Team is now all in post and a senior leadership development programme has commenced.

Corporate Plan Action - Members are able to fulfil their roles as effective community leaders

Ref No. 5.D4 % members receive a personal development interview leading to a structured learning and development plan – The Personal Development Plan process for members remains at an embryonic stage. Learning style questionnaires have been issued to members to commence the process and responses have been returned. Non returns are being followed up and review meetings taking place with individual members. In addition to this, the Cabinet Member with responsibility for

member development, Councillor Yasseen, has met with the Assistant Chief Executive and has agreed the terms of reference for a Member Development Group. This group is now meeting and has role to help define and monitor the approach to member sign up to their Personal Development Plans. With support from the LGA, all members are scheduled to have had an opportunity to consider their PDP by February 2017.

Ongoing risks and challenges ahead:

Increasing levels of sickness absence are a risk both financially and operationally. High levels will also impact on use of temporary and agency staff, leading to increased cost and potential reductions in quality of service. Targeted intervention to address sickness hotspots is in hand.

Potential poor morale and stress among staff indicated by the Pulse Survey and focus group sessions with staff – particularly in the manager group – reinforced by the findings of the Workforce Wellbeing Charter group, may lead to further increases in staff absence. New organisation structures and changes to terms and conditions of employment required to enable savings may lead to further deterioration in staff morale and increased uncertainty. Organisation reviews and restructuring will need to be completed as rapidly as possible to minimise the impact on staff.

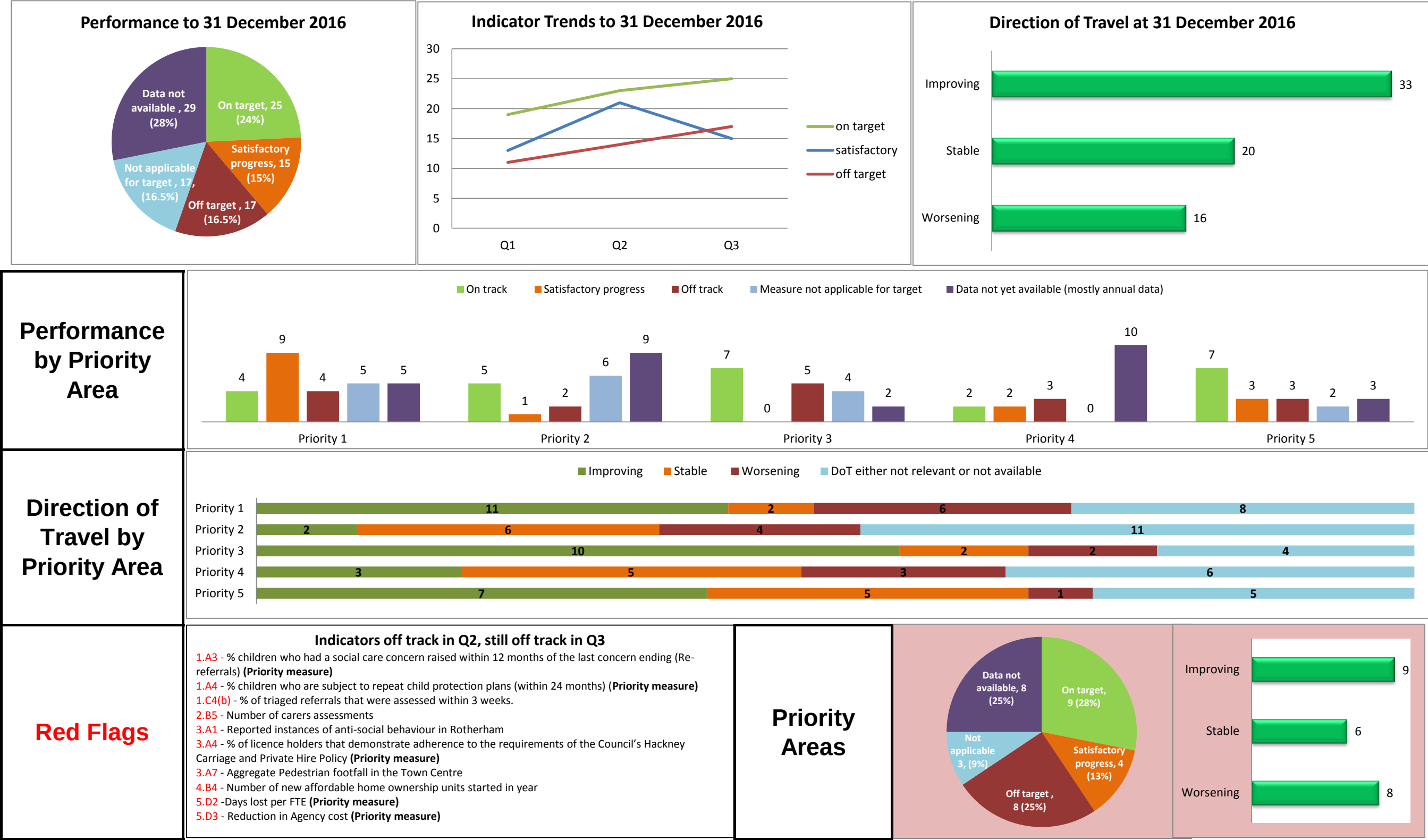
Members not engaging on a personal level with the process for improvement and development could risk poor political leadership. Members are continuing to receive appropriate training and support in respect of developing knowledge, skills and behaviours. The member-led group chaired by Cllr Yasseen is now informing and enhancing the Council's member development programme, which will be designed to equip Members with the knowledge, skills and behaviours required to be effective, alongside member Personal Development Plans, which requires member commitment to succeed. Practical support for this process has also been secured from the LGA.

OVERALL PERFORMANCE SCORECARD

As per separate document

Corporate Plan 2016/17 Performance Report

Dashboard at 31 December 2016 - Quarter 3



Appendix B

Corporate Plan 2016/17

Performance Report



Quarterly Performance Scorecard (data for December 2016)

Please note: Although care is taken to ensure data is as accurate as possible, delays in data input can result in changes in figures when reports are re-run retrospectively.

Document Details

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Summary

✓	Measure progressing above or in line with target set	25	24.3%
●	Measure progress has been satisfactory but is not fully reaching target set	15	14.6%
✗	Measure has not progressed in accordance with target set	17	16.5%
⚙	Measure under development (e.g. awaiting data collection or target-setting)	0	0.0%
□	Measure not applicable for target (e.g. baseline year, or not appropriate to set a specific target)	17	16.5%
■	Measure information not yet available (e.g. due to infrequency or timing of information/data)	29	28.2%

↑	Numbers have improved	33
→	Numbers are stable	20
↓	Numbers have got worse	16
	Direction of Travel is not applicable	34

Corporate Priority 1 – Every child making the best start in life

Key	Overall status (relevant to target)				
	✔	Measure progressing above or in line with target set	✂	Measure under development (e.g. awaiting data collection or target-setting)	
	●	Measure progress has been satisfactory but is not fully reaching target set	□	Measure not applicable for target (e.g. baseline year, or not appropriate to set a specific target)	
	✖	Measure has not progressed in accordance with target set	■	Measure information not yet available (e.g. due to infrequency or timing of information/data)	

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting								Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16	Dec-16	
are protected and safeguarded from all forms of abuse, violence and neglect	Ian Thomas, Strategic Director Children and Young People's Services	1.A1	Early Help – Early Help service to identify and support families at the right time to help prevent social service involvement	Reduction in Children in Need rate (rate per 10K population) (Priority measure)	Mel Meggs - CYPS	low	Monthly	No target (to be used a measure to watch over the next 12 months)			347.1	320	356.0	390.4	375.0	399.1	403.0	375.0	All performance shown for 2016-17 has now been taken from the new liquid logic social care system which is still in the process of being embedded within the service. Data validation work is still ongoing within the service, therefore all performance data will be refreshed for the end of Qtr 4/outturn report. There is no good or bad performance however the aim is to ensure performance is in line with the national average. The numbers in December remains high at 375.0. There has been some analysis of the data to understand the increase and it is clear that the current increase is largely concentrated within First Response. Joint work has been undertaken across social care and Early Help to review EH triage, MASH and duty processes.
		1.A2		The number of families engaging with the Families for Change programme as a percentage of the troubled families target	David McWilliams - CYPS	high	Monthly	100% (882 families by end of March 2017)			100%	100%	24%	46%	68%	54%	60%	68%	Target of 100% is by March 2017. 603 families have been engaged for 2016/17 so far. Performance is reported cumulatively and is therefore YTD.
		1.A3	Children's Social Care Improvement - Ensure that all children in need work is managed robustly and that appropriate decisions and actions are agreed	% children who had a social care concern raised within 12 months of the last concern ending (Re-referrals) (Priority measure)	Mel Meggs - CYPS	low	Monthly	April - September 26% October - March 23%			22.8%	30.6% (note - Corporate Plan stated 30.9%)	29.9%	30.4%	28.3%	28.7%	28.6%	28.3%	All performance shown for 2016-17 has now been taken from the new liquid logic social care system which is still in the process of being embedded within the service. Data validation work is still ongoing within the service, therefore all performance data will be refreshed for the end of Qtr 4/outturn report. Rolling year indicator including data from the 12 months prior to 31st December 2016. This indicator is a reflection of the quality of practice and as this improves, the indicator should reduce. The service continues to fail to hit the locally set target of 23%. A number of initiatives are in progress that will improve quality of practice which will have a direct impact on reducing the re-referral rate.
		1.A4	Children's Social Care Improvement – Ensure that all Child Protection Plan work is managed robustly and that appropriate decisions and actions are agreed with partner agencies	% children who are subject to repeat child protection plans (within 24 months) (Priority measure)	Mel Meggs - CYPS	low	Monthly	4%			4%	4.7%	6.1%	6.6%	7.2%	7.1%	6.4%	7.2%	All performance shown for 2016-17 has now been taken from the new liquid logic social care system which is still in the process of being embedded within the service. Data validation work is still ongoing within the service, therefore all performance data will be refreshed for the end of Qtr 4/outturn report. Rolling year indicator including data from the 12 months prior to 31st December 2016. Performance has declined in Qtr 3 and the figures are much higher than they should be. Work continues in the service to assess the quality of plans and to ensure that plans are only ceased when children and young people are no longer at risk or are supported appropriately at a lower level of intervention.

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting								Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16	Dec-16	
A. Children, young people and families		1.A5	LAC Sufficiency Strategy – Increase in the proportion of children who are cared for in a family based setting	Increase in the proportion of children who are cared for in a family based setting (Priority measure)	Mel Meggs - CYPS	high	Monthly	87.5%			80.5%	84.5%	84.4%	81.1%	86.5%	85.4%	86.7%	86.5%	All performance shown for 2016-17 has now been taken from the new liquid logic social care system which is still in the process of being embedded within the service. Data validation work is still ongoing within the service, therefore all performance data will be refreshed for the end of Qtr 4/outturn report. Research shows that family based placements result in improved life chances and outcomes for children and young people in care more effectively than residential homes. The number of children in a family based placement is overall increasing. The Fostering Recruitment Team is in the process of revising their marketing strategy which includes the appointment of a dedicated marketing post, which will enhance the recruitment of in-house foster carers. This, in turn, should support more LAC into family based care provision.
		1.A6	Child Sexual Exploitation - an increased awareness of CSE and an increase in the number of police prosecutions as a result of joint working	Number of CSE referrals	Mel Meggs - CYPS	Not applicable	Monthly	No target - not applicable				200	52	35	64	17	24	23	All performance shown for 2016-17 has now been taken from the new liquid logic social care system which is still in the process of being embedded within the service. Data validation work is still ongoing within the service, therefore all performance data will be refreshed for the end of Qtr 4/outturn report. No target as numbers fluctuate significantly and are therefore difficult to predict.
		1.A7		Number of prosecutions	Mel Meggs - CYPS	high	Monthly	No target - not applicable			12	37 (note the Corporate Plan states 43 (June 2015 - May 2016))	7	5	3	3	0	0	Parameter used to define 'CSE prosecution' is; offences that resulted in a suspect or suspects being charged or summonsed in Rotherham.
		1.A8		Number of victims/survivors accessing post abuse support services (new referrals)	Mel Meggs - CYPS	Not applicable	Monthly	No target - not applicable					524	104	143	84	30	33	21
		1.B1	Early Help – Increase the take-up of free Early Childcare for disadvantaged families	% of entitled 2 year olds accessing childcare	Karen Borthwick - CYPS	high	Termly	80%				78% (summer term 15)	Not applicable	79.5% (summer term)	87.2% (Autumn term 2016)				Termly data shown in the closest reporting quarter to the end of term. This relates to an 'as at' position and cannot be aggregated up into year end. Take-up levels follow a pattern with the Spring term having highest levels of take-up each year. The interim position at Q3 is above expectations.
		1.B2	Sustainable Education and Skills	% children and young people who attend a good or better schools	Karen Borthwick - CYPS	high	Termly	90%				82.4% (summer term 15)	84.9%	86%	85%				The Rotherham average has declined by 1% from 31 August 2016. The latest comparison to the national average is 86% as at 31 August 2016. Current performance appears to be low but it is greatly affected by the inspection process. A number of primary schools that were judged as 'Requires Improvement (RI)' have converted to academies. These schools have made significant improvements which may make the next inspection judgement 'Good'. However, once a school has become an academy they are not inspected for 3 years which therefore means they will retain the 'RI' judgement, which impacts on this outcome.
		1.B3	Sustainable Education and Skills – challenge all schools, academies and education settings who are not providing at least a 'good' level of education to our children	The progress a pupil makes from the end of primary school to the end of secondary school. (Key Stage 4 Progress 8 Measure)	Karen Borthwick - CYPS	high	Annual	No target - target for future years to be set inline with or above the national average			No data - new measure	No data - new measure	No data - new measure	No data - new measure	0.03				This is a new measure for secondary school accountability in 2016. Any targets in future years would be set in line with or above the national average. The progress 8 score for Rotherham in 2016 is 0.03, this is above the national average progress score of -0.03. This data is currently provisional and the validated data will be published by the DfE on the 19th January 2017.
		1.B4 (a)	Sustainable Education and Skills – Reduce the number of	Persistent absence rate a) Primary School	David McWilliams	low	Termly	8.4%			2.9% (old definition - not comparable)	10.7% (Academic year end outturn 2015/16)	Not applicable	10.7% (Academic predicted year end outturn 2015/16)	10.3% (based on Autumn 15/16 combined)				The position at Quarter 3 is confirmed Autumn/Spring Term 2015-16 (Half Term 1-4) data published by the DfE. In Quarter 4 we are able to report the confirmed outturn for the full academic year 2015/16 (Half Term 1-6).

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting								Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16	Dec-16	
B. Children and Young people are supported to reach their potential	Ian Thomas, Strategic Director Children and Young People's Services	1.B4 (b)	children and young people persistently absent from school	Persistent absence rate b) Secondary School	David McWilliams	low	Termly	13.8%			7.5% (old definition - not comparable)	15.3% (Academic year end outturn 2015/16)	Not applicable	15.3% (Academic predicted year end outturn 2015/16)	14.4% (based on Autumn 15/16 combined)				The position at Quarter 3 is confirmed Autumn/Spring Term 2015-16 (Half Term 1-4) data published by the DfE. In Quarter 4 we are able to report the confirmed outturn for the full academic year 2015/16 (HT 1-6).
		1.B5 (a)	Sustainable Education and Skills – Reduce the number of school days lost to exclusion	Reduction in the number of exclusions from school which are a) Fixed term (Secondary school)	Karen Borthwick - CYPS	low	Termly	3,000			4,210	Not yet available (Academic Year)	1,072 (Academic term end outturn)	227 (Sept 15 325)	1097 (Sept - Dec15 1562)	280 (Oct 15 392)	398 (Nov 15 473)	192 (Dec 15 372)	Monthly and termly data shown with direct comparison to last year's figures to show improved direction of travel. Recorded as upwards trajectory as a lower number is a positive result. Reduction is a direct result of partnership working with schools through Inclusion work.
		1.B5 (b)		Reduction in the number of exclusions from school which are b) Permanent (Secondary school)	Karen Borthwick - CYPS	low	Termly	30			50	53 September 2015 - July 2016 (cumulative - based on end of academic year)	47 September 2015 - July 2016 (cumulative - based on end of academic year)	2 (Sept 15 7)	12 (Sept-Dec15 20)	5 (Oct 15 8)	4 (Nov 15 1)	1 (Dec 15 4)	Monthly and termly data shown with direct comparison to last year's figures to shown improved direction of travel. Recorded as upwards trajectory as a lower number is a positive result. Reduction is a direct result of partnership working with schools through Inclusion work.
		1.B6	Sustainable Education and Skills – Enable hard to reach young people to achieve their full potential through education employment or training	% of young people aged 16-18 who are Not in Education, Employment or Training (NEET)	David McWilliams - CYPS	low	Monthly	3.1% (note - Corporate Plan included 4.9%)			5.9%	5.3% (note - Corporate Plan included 5.1%)	5.5%	2.4%	2.9%	2.8%	3.0%	3.0%	The position at the end of December shows a NEET figure of 3.0% (against a local target of 3.0%) and a Not Known figure of 2.6% (against a local target of 2.5%). Whilst the NEET figure hit target the Not Known figure was 0.1% above target. This is the second month of our annual measure (taken across Nov, Dec and Jan) and to ensure we meet our targets of 3.0% NEET and 2.8% Not Known, the Not known target for January has been revised down to 2.9%. Data sharing exercises and follow up will continue, as will work to re engage the NEET cohort, both centrally and across all localities to ensure we remain on track. Latest comparison data available for November return shows that Rotherham are now better than statistical neighbours, national and region in regard to Not Knowns. In respect of NEET figures Rotherham are enjoying better results than statistical neighbours whilst being in line with both region and national returns.
		1.B7 (a)	Special Educational Needs and Disabilities (SEND) – Improve personal outcomes for our young people with SEND to enable them to make choices that lead to successful adult lives	Percentage of Education Health and Care Plans completed in statutory timescales (based on NEW Plans issued cumulative from September 2014) (Priority measure)	Karen Borthwick - CYPS	high	Monthly	90% by April 2018				58.3% (note - the Corporate Plan states 52.4%)	67%	65%	42%	51%	59%	17%	Data relates to completion EHC plans within the reporting period.
		1.B7 (b)		Percentage of Education Health and Care Plans completed in statutory timescales (based on Conversions from Statements to EHCP cumulative from September 2014) (Priority measure)	Karen Borthwick - CYPS	high	Monthly	90% by April 2018				85.5% (note - the Corporate Plan states 81.6%)	58%	53%	57%	71%	47%	54%	Data relates to completion EHC plans within the reporting period. Performance demonstrating improvement, team with majority of conversions have now moved into Inclusion Department. This target does not include the conversions from Post 16 Learning Difficulty Assessments (LDAs) which have been prioritised for this team and are on track for completion by 31st December and will be included in the next quarter. The direction of travel on this section is overall on the up, and this will be the first statutory target met for the EHC team since reforms began in September 2014.
		1.B8	Sustainable Education and Skills	% of children aged 0-5 living in the Rotherham area who are registered with a Children's Centre	David McWilliams - CYPS	High	Quarterly	95%			98.2%	91.4%	89%	91%	93%				Data available on a quarterly basis. This involves a data collection from children centres and validation process therefore there may be a time lag between quarter end and availability of data. Target has changed from 94% to 95% so that it is in line with OFSTED requirements
		1.B9 (a)	Sustainable Education and Skills – ensure that all vulnerable groups attain at the same level as their peers	a) % "Looked After Children" (LAC) achieving Level 4 or above at Key stage 2 for reading, writing and maths combined	Karen Borthwick - CYPS	high	Annual	52% National 2015 Figure			35.7% (note - the Corporate Plan states 43%)	Not yet available (Academic Year)							Data hasn't been published yet, and is expected to be published March 17. In addition this measure no longer exists. When the annual data is published it will refer to, ' % of LAC meeting the national standard in Reading, Writing and Maths'.
		1.B9 (b)		b) % "Looked After Children" (LAC) achievement against Key stage 4 Progress 8 measure	Karen Borthwick - CYPS	high	Annual	Not applicable			Not available	Not yet available							Data hasn't been published yet, and is expected to be published March 17.

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting								Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16	Dec-16	
		NOTE:		For attainment of vulnerable groups and adult learning please see Priority 4															
C. Children, young people and families are enabled to live healthier lives	Terri Roche, Director Public Health	1.C1	Deliver services for the 0-19 year olds – to support children and families to achieve and maintain healthier lifestyles	Smoking status at time of delivery (women smoking during pregnancy) (Priority measure)	Jo Abbott - Public Health	Low	Quarterly/ Annual	18.4% by 2016/17 (local target)	✔	🔄	18.3%	18.1%	19.1%	12.1%	Not yet available (March 2017)				National ambition 11% or less by the end of 2015. Status and DoT revised following Q2 data.
		1.C2 (a)		Reduce year-on-year levels of childhood obesity for: a) Reception year children (age 4/5) (Priority measure)	Jo Abbott - Public Health	Low	Annual	Downward trend in excess weight by 2020	📊		9.9%	10.3%						PH indicators dependent on annual data.	
		1.C2 (b)		Reduce year-on-year levels of childhood obesity for: b) Year 6 children (age 10/11) (Priority measure)	Jo Abbott - Public Health	Low	Annual	Downward trend in excess weight by 2020	📊		21.6%	21.8%						PH indicators dependent on annual data.	
		1.C3		Chlamydia detection rate (15-24 year olds) - CTAD (Persons)	Jo Abbott - Public Health	High	Annual	At least 2,300 per 100,000 (national target)	📊		2,141 per 100,000 (2014)	1,738 per 100,000 (2015)						PH indicators dependent on annual data. Improvement plan in place. Provider working with Sexual Health Facilitator at PHE to improve rates.	
	Ian Thomas, Strategic Director Children and Young People's Services	1.C4 (a)	Ensure that all children and young people with emotional wellbeing and mental health needs, receive prompt support and treatment	% of referrals triaged for urgency within 24 hours of receipt.	Linda Harper	High	Monthly	100%	✔	🔄	90.5%	99.4%	88.2%	100%	100%	100%	100%	100%	Target achieved
		1.C4 (b)		% of triaged referrals that were assessed within 3 weeks.	Linda Harper	High	Monthly	95%	✖	🔄	27.8%	26.3%	26.4%	28.60%	24.00%	30.20%	35.20%	24.00%	In December there were 24% of triaged referrals assessed within 3 weeks, which is the Rotherham CCG stretch target. This is a 11.7% decrease from the previous months position of 35.7%. There has been a significantly higher number of priority referrals in the past month, which has been the key factor in the decrease in performance. When reported against the NICE guidelines target of 6 weeks, 27.5% were assessed within target. The average waiting time is 62.8 days. To reduce the waiting time for assessments; • Other clinical staff are now undertaking assessments. • Additional monies in 2016/17 from the Department of Health are being utilised to reduce waiting times, through staff working overtime and for appropriate lower level cases to be worked by Rotherham and Barnsley Mind. • 2 additional locality staff have been employed and started in mid-December. • Referrals are now allocated to the relevant team at the point of assessment , so as to help with the allocation of appointments and with patient experience. • The Operational Manager is meeting with Meridian to review service capacity in line with the new model of working. • An assessment trajectory has been accepted by commissioners; the service to be back on track by month end March 2017.

Corporate Priority 2 – Every adult secure, responsible and empowered

Key	Overall status (relevant to target)				
	✔	Measure progressing above or in line with target set	✂	Measure under development (e.g. awaiting data collection or target-setting)	
	●	Measure progress has been satisfactory but is not fully reaching target set	□	Measure not applicable for target (e.g. baseline year, or not appropriate to set a specific target)	
	✖	Measure has not progressed in accordance with target set	■	Measure information not yet available (e.g. due to infrequency or timing of information/data)	

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting							Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)	
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Quarterly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16		Dec-16
A. Adults are enabled to live healthier lives	Terri Roche, Director Public Health	2.A1	Implement Health and Wellbeing Strategy to improve the health of people in the borough	Smoking prevalence (18+) (Priority measure)	Jo Abbott - Public Health	Low	Annual	Reduction of 1 percentage point each year from baseline position.			18.4% (Now 19.4%)* (2014)	18.1% (2015)							Target = local target. National ambition to reduce to 18.5% by end of 2015. PH indicators dependent on annual data. *Data in PHOF now sourced from Annual Population Survey. Affects 2014 figure.
		2.A2		% of physically inactive adults (aged 16+)	Jo Abbott - Public Health	Low	Annual	No national target but local aim to increase physical activity for people with long term conditions			31.5% (2014)	30.6% (2015)							PH indicators dependent on annual data
		2.A3		Excess weight in adults (aged 16+)	Jo Abbott - Public Health	Low	Annual	National ambition: a downward trend in the level of excess weight averaged across all adults by 2020.			73.3% (2012-14)	76.2% (2013-15)							PH indicators dependent on annual data.
		2.A4		Suicide rate (all ages) (Persons)	Jo Abbott - Public Health	Low	Annual	No national target but national recommendation to have a local action plan			10.9 per 100,000 (2012-14)	14.2 per 100,000 (2013-15)							PH indicators dependent on annual data. Definition change in PHOF. Data for 2013-15 and retrospective data revised. 2012-14 data as shown in Corporate Plan = 9.7
		2.A5 a)		Successful completion of drug treatment – a) opiate users (aged 18-75)	Jo Abbott - Public Health	High	Annual	No national target. Local ambition to be within LA Comparators Top Quartile			7.3% (2014)	6.3% (2015)							PH indicators dependent on annual data. Definition change for drug treatment indicators in PHOF. 2015 data and retrospective data revised. 2014 data unaffected.
		2.A5 b)		Successful completion of drug treatment –b) non-opiate users (aged 18-75)	Jo Abbott - Public Health	High	Annual	As above			54.9% (2014)	42.9% (2015)							PH indicators dependent on annual data. Definition change for drug treatment indicators in PHOF. 2015 data and retrospective data revised. 2014 data as shown in Corporate Plan 52.6%.
	Shokat Lal, Assistant Chief Executive	2.A6 a)	Support vulnerable people in times of crisis	Number of people supported through welfare provision - Food parcels provided	Justin Homer, Assistant Chief Executive's Directorate	Not applicable	Quarterly (Monthly data also available)	Not target - not applicable			Not available	2,526	810 food parcels 1,634 people supported	892 food parcels 1568 people supported	787 food parcels 996 people supported	238 food parcels 316 people supported	280 food parcels 319 people supported	269 food parcels 361 people supported	The Local Welfare Provision (LWP) measure is split and includes information about food in crisis provision (where data collected includes both the number of parcels issued and the number of individual beneficiaries, adults and children) and the number of crisis loans issued. Latest Q3 data shows a continuation of steady demand, month-by-month during 2016/17 to date and while numbers have fallen from Q2 the end of year figure is almost certain to exceed 2015/16.
		2.A6 b)		Number of people supported through welfare provision - Crisis loans	Justin Homer, Assistant Chief Executive's Directorate	Not applicable	Quarterly (Monthly data also available)	Not target - not applicable			Not available	1,041	248 loans (£20,706 value)	130 loans (£10,325 Value)	109 loans (£8,425 Value)	46 loans (£3,745 Value)	34 loans (£2,635 Value)	29 loans (£2,045 Value)	See above. Latest Q3 data shows a reduction in the numbers of loans issued. Issues surrounding the relocation of Laser Credit Union's premises is likely to have been a factor.
		2.B1	Implement the new Adult Safeguarding Strategy to prevent neglect and abuse, embed making safeguarding personal and provide support to victims, linked to the corporate Safeguarding Strategy	No. of Safeguarding investigations (Section 42 enquiries) completed (Priority measure)	Sam Newton - Adult Social Care and Housing	High	Quarterly	Baseline year			Not available	568	130	95 (revised)	62 (Oct-Nov only)				New measure 2015/16 based on new adults safeguarding collection and Care Act changes to safeguarding. Data not robust enough to use for full year target setting in 16/17 but in year quarter and year to date (accumulative) comparisons will be possible during 16/17. Q1 figure revised - previous value referred to individuals involved in S42 enquiries in quarter not those completed.

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting							Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)	
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Quarterly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16		Dec-16
B. Individuals and carers are supported to be safe, independent and resilient within a personalised model of care and support	Anne Marie Lubanski, Strategic Director Adult Social Care and Housing (Commenced 8th August 2016).	2.B2	Integrate health and care services to consolidate and share resources to reduce duplication and provide excellent services	Average delayed transfers of care from hospital attributable to adult social care or both health and adult social care per 100,000 population (Priority measure)	Sam Newton - Adult Social Care and Housing	Low	Quarterly	1.5	✗	🔄	2.3	1.6	2.9	2.1	2.38 (Nov data)				Data provided by NHS England, Data shows "as at" position at the end of each quarter for the latest published figures 12th Jan 2017 (usually 1 month timelag – data is as at Nov 2016). Qtr 3 figures show previous improvement from Q1 to Q2 has been eroded due to an increase in reported delays attributable to ASC or both health and ASC. In addition we know from local 'systems data' that increased pressure has occurred at the hospital since December and that this will impact negatively on year end outturns, when processed. Target is no longer assessed as achievable, but actions to maximise performance have been put in place by the service, including additional seven day support at the hospital to facilitate discharges and to ensure only agreed delays are recorded
		2.B3	People get the information and advice early and help to make informed choices about care and support	Number of people provided with information and advice at first point of contact (to prevent service need)	Sam Newton - Adult Social Care and Housing	High	Quarterly	Baseline year	📦	🔄		944	719	824	587 (Oct-Nov only)				New for Corporate Plan. Note - process for capturing implemented November 2015 so data not robust enough to use for full year target setting in 16/17. Indicator improving to reflect service process.
		2.B4 (a)	Improved approach to personalised services – always putting users and carers at the centre of everything we do	Proportion of Adults receiving long term community support who receive services via self-directed support (Priority measure)	Sam Newton - Adult Social Care and Housing	High	Quarterly	76%	✅	➡️	76.4%	75.7%	79.6%	79.9%	78.68% (Oct-Nov only)				Data shows "as at" position at the end of each quarter
		2.B4 (b)		Proportion of Carers in receipt of carer specific services who receive services via self-directed support (Priority measure)	Sam Newton - Adult Social Care and Housing	High	Quarterly	46.7%	✅	➡️	0%	29.2%	100%	100%	100% (Oct-Nov only)				Data shows "as at" position at the end of each quarter , MH data now included but not affecting overall score
		2.B5		Number of carers assessments	Sam Newton - Adult Social Care and Housing	High	Quarterly	2500	✗	🔄	2566	2420	430	341	164 (Oct-Nov only)				This figure accumulates in year, activity for both Q1 and Q2 is below expected. Issues have been identified with numbers of carer assessments recorded by our MH partner and these are being addressed by service. Further discussions with service will identify plans to improve in Q3 and Q4.
		2.B6	Modernise Enablement Services to maximise independence, including: • Intermediate care • Enabling • Prevention agenda • Developing community assets	The proportion of people (65+) still at home 91 days after discharge into rehabilitation (Priority measure)	Sam Newton - Adult Social Care and Housing	High	Annual	91%	🟦		83.5%	89.6%							Data captured Oct-Mar (discharges Oct-Dec followed up 91 days later)
		2.B7		No of admissions to residential rehabilitation beds (Intermediate Care)	Sam Newton - Adult Social Care and Housing	High	Quarterly	600	✅	🔄	587	613	153	159	186				Accumulative measure progressing in line with target.
		2.B8		Proportion of new clients who receive short term (enablement) service in year with an outcome of no further requests made for support	Sam Newton - Adult Social Care and Housing	High	Quarterly	74% (2015/16) 2016/17 target tbc	📦	➡️	85.2%	86.1%	95.6%	85.0%	Data not available for Q3 to be provided Q4				Data shows "as at" position at the end of each quarter. Target not yet confirmed - to confirm for Q3 following provisional national results release which will allow benchmarking of good performance
		2.B9 a)	Development of Adult Care Market Position Statements to provide alternatives to traditional care, maximise independence and stimulate the market	a) Permanent admissions to residential care for adults (Priority measure)	Nathan Atkinson - Adult Social Care and Housing	Low	Quarterly	17.6 (27 admissions)	✅	➡️	12.3 (20 admissions) Accumulative	20.03 (31 admissions)	1.94 (3 admissions)	4.52 (7 admissions)	7.75 (12 admissions Apr - Nov data)				Data shows "as at" accumulative position at the end of each quarter
		2.B9 b)		b) Permanent admissions to residential care for older people (Priority measure)	Nathan Atkinson - Adult Social Care and Housing	Low	Quarterly	797 (390 admissions)	✅	➡️	958.5 (469 admissions) Accumulative	819.52 (401 admissions)	102.18 (50 admissions)	224.81 (110 admissions)	320.4 (159 admissions Apr - Nov data)				Data shows "as at" accumulative position at the end of each quarter
		2.B9 c)		c) % spend on residential and community placements (Priority measure)	Sam Newton - Adult Social Care and Housing	Low residential and high community placements	Quarterly	Baseline year	📦	🔄	Not available - not previously been required	Not available - not previously been required	Residential 38.48% (against budgeted 35.35%) Community 46.23% (against budgeted 40.56%)	Residential 36% (against budgeted 35.35%) Community 44% (against budgeted 40.56%)	Residential 38% (against budgeted 35.35%) Community 46% (against budgeted 40.56%)				New for corporate plan and measure reports Net % spend compared to % budgeted. Q3 has seen a widening of gap due to in year pressures
		2.B10	Adults with learning disabilities are supported into employment enabling them to lead successful lives	Supporting people with a Learning Disability into employment	Sam Newton - Adult Social Care and Housing	High	Quarterly	6.0%	🟡	➡️	6.0%	5.6%	5.7%	5.7%	5.56% [39 people/702 on service] (Apr-Nov)				Data shows "as at" position at the end of each quarter
		2.B11 a)	Improve satisfaction levels of those in receipt of care and support services	Overall satisfaction of people who use care and support services - a) service users	Sam Newton - Adult Social Care and Housing	High	Annual	72%	🟦		65.0%	70.0%							Annual score collected in ASC User Survey
		2.B11 b)		Overall satisfaction of people who use care and support services - b) carers	Sam Newton - Adult Social Care and Housing	High	Biennial	50%	🟦		48.6%	Biennial							Biennial collection from carers survey next schedule 16/17.

Corporate Priority 3 – A strong community in a clean safe environment

Key		Overall status (relevant to target)																	
		✔	Measure progressing above or in line with target set	✖	Measure under development (e.g. awaiting data collection or target-setting)														
		●	Measure progress has been satisfactory but is not fully reaching target set	□	Measure not applicable for target (e.g. baseline year, or not appropriate to set a specific target)														
		✖	Measure has not progressed in accordance with target set	■	Measure information not yet available (e.g. due to infrequency or timing of information/data)														
Outcome	Lead Accountability (Strategic Director)	Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting							Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)	
											Annual		Quarterly			Monthly			
									Overall status	DOT	Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16		Dec-16
A. Communities are strong and help people to feel safe	Damien Wilson, Strategic Director Regeneration and Environment	3.A1	Ensure that the Safer Rotherham Partnership is robust and fit for purpose. Develop an effective Community Safety Strategy and Performance Management Framework	Reported instances of anti-social behaviour in Rotherham	Karen Hanson -Regeneration and Environment	Low	Quarterly	5% reduction on 2015-16	✖	⬆	15,553 Incidents	14,355 Incidents 8% Decrease (1,198)	3,835 - a 7% increase (257 on Q1 15/16)	4295 - a 12% increase (446 on Q2 15/16)	3,298 - a 3% reduction (114) on Q3 15/16				Q 3 has seen a 3% (114 incident) reduction in reported ASB compared to the same period in 2015/16 and also month on month reductions for the Q3 period. However, for the full year to date the total is 6% higher compared to the Q1 - Q3 period last year. There is now however a clear and consistent downward trend and work will carry on to continue that downward trend, but it is unlikely that a year end reduction of 5% will be acheived. A range of multi-agency interventions continue to take place in hotspot areas. In addition, ASB in Rotherham is the subject of a performance clinic at the next meeting of the Safer Rotherham Partnership Board on 13th February 2017.
		3.A2		Reported instances of hate incidents in Rotherham	Karen Hanson -Regeneration and Environment	Not applicable	Quarterly	No Target - Not Applicable (Note - Corporate Plan stated 25% increase on 2015-16)	□		178 Incidents	254 Incidents 43% Increase (76)	85, a 93% increase (41 incidents) on same period 15/16	Hate Crime 79, a 22% (14 on Q2 15/16) Hate Incidents 67, an 86% increase (31 on Q2 15/16)	Hate Crime 83, a 12% (9 on Q3 15/16) Hate Incidents 55, a 72% increase (23) on Q3 15/16				It is recognised that hate crimes and hate incidents are currently under reported and therefore significant effort is being made across the Safer Rotherham Partnership to increase public confidence in reporting. For this reason, it is not considered appropriate to have a target to reduce reported incidents and increases are seen as a positive response to awareness raising.
		3.A3		Reported instances of domestic abuse in Rotherham	Karen Hanson -Regeneration and Environment	Not applicable	Quarterly	No Target - Not Applicable (Note - Corporate Plan stated 10% increase on 2015-16)	□		1,384 Incidents	1,770 Incidents 28% Increase (386)	503, a 19% increase (80 incidents) on same period 15/16	Crimes 473, a 7% increase (32 on Q2 15/16) Incidents 1205, a 2% increase (19 on Q2 15/16)	632, a 43% increase (189) on Q3 15/16				Recruitment to a new Domestic Abuse Co-Ordinator has taken place which commenced on 24th October 2016. This post will be responsible for the effective development and delivery of a domestic abuse strategy, data and performance management and a review of existing governance structures.
		3.A4	Ensure an robust, effective and efficient licensing service	% of licence holders that demonstrate adherence to the requirements of the Council's Hackney Carriage and Private Hire Policy (Priority measure)	Karen Hanson -Regeneration and Environment	High	Quarterly	100% of 1) eligible licence holders that have subscribed to the DBS online update service; 2) drivers that have completed the council's safeguarding awareness course; 3) vehicles that, where required to do so, have had a taxi camera installed (or are committed to having one installed); 4) drivers that have obtained the BTEC / NVQ qualification.	✖	⬆	Not available - new measure	Not available - new measure	Q2 Will be first reporting	Figures for each sub-indicator: 1) 100% 2) 97% 3) 96% 4) 56%	Figures for each sub-indicator: 1) 100% 2) 98% 3) 98% 4) 62%				- 98% of drivers have completed the Council's safeguarding training, the remaining 2% of licence holders remain suspended and are not currently driving a licensed vehicle. - 98% of vehicles that require a camera by the end of Q2 have had one fitted (or made a commercial commitment to have one fitted). Enforcement action will continue to be taken in relation to the 2% that have not had a camera fitted (or made an arrangement to do so). - 62% of drivers have obtained the BTEC / NVQ qualification. Those drivers that have not yet made sufficient progress in relation to the obtaining the requirement will be identified and appropriate enforcement action taken in relation their failure to obtain the required qualification.
		3.A5 a)	Rotherham residents are satisfied with their local area and borough as a place to live	a) How satisfied or dissatisfied are you with your local area as a place to live	Tracy Holmes, Assistant Chief Executive's office	High - very or fairly satisfied	6 monthly	>79%	✔	⬆		79% June 2015 82% December 2015 satisfied or fairly satisfied	80% June 2016 satisfied or fairly satisfied		81% December 2016 satisfied or fairly satisfied				The LGA polling on resident satisfaction is conducted on a 6 monthly basis and was requested by the Commissioners.
		3.A5 b)		b) Overall, all things considered, how satisfied or dissatisfied are you with Rotherham Borough as a place to live	Tracy Holmes, Assistant Chief Executive's office	High - very or fairly satisfied	6 monthly	>69%	✖	⬆		69% June 2015 61% December 2015 very or fairly satisfied	62% June 2016 satisfied or fairly satisfied		66% December 2016 very or fairly satisfied				The LGA polling on resident satisfaction is conducted on a 6 monthly basis and was requested by the Commissioners.
		3.A6		Number of people borrowing books and other materials (Cumulative) (Priority measure)	Polly Hamilton - Regeneration and Environment	High	Quarterly	25,000	✖	⬇	25,684	22,472	11,717	16,621	18,980				Performance continues to improve. However, at end December performance against last year was down by 6%. A number of initiatives intended to improve performance, including increased publicity for e-book services, have been introduced during October - December 2016

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting							Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)	
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16		Dec-16
		3.A7	Create a rich and diverse cultural offer and thriving Town Centre	Aggregate Pedestrian footfall in the Town Centre	Paul Woodcock - Regeneration and Environment	High	Quarterly	>23,699,399	✗	↻	Not available	23,699,399	5,641,296	5,898,148	5,492,033 (17,031,477 - Cumulative)				15/16 a baseline year, aggregate pedestrian flow measured from fixed cameras at All Saints Square, High Street, College Street and Centenary Market. A new Fixed Camera on Effingham Street went online Feb 2016 so suggest inclusion of that camera from 17/18. The target set for 16/17 is to maintain current Town Centre footfall in the face of recent projections of a downward trend. Footfall indicator completed for Q3 which shows a 5.6% decline on Q3 last year and a 6.87% decline compared to Q2 this year. The overall status and DOT is based on a comparison to data for the same period last year
B. Streets, public realm and green spaces are clean and well maintained	Damien Wilson, Strategic Director Regeneration and Environment	3.B1	Deliver a cleaner, greener Rotherham to ensure that it is a safe and attractive place to live, work and visit	Levels of Street Cleanliness not more that 5% of sites are considered to be below standard (Grade A or B in CoP)	Karen Hanson -Regeneration and Environment	Low	Quarterly	<5%	✓	↻	0%	0%	0%	0%	0%				Levels of Street Cleanliness are being maintained through the first 3 quarters and the Council is on target to achieve its outturn figure of <5% .
		3.B2 (a)		Percentage of the principal road network in need of significant repair	Karen Hanson -Regeneration and Environment	Low	Annual	4%	■		3%	Not yet available						2015/16 Information from the Department for Transport used to measure and report performance against this measure is not currently available .	
		3.B2 (b)		% of the non-principal road networks in need of repair	Karen Hanson -Regeneration and Environment	Low	Annual	7%	■		6%	Not yet available						The target is based on the national average condition and the Council aspires to be good or better. The national average has improved from 8% to 7%. DfT 2015/16 data not yet available	
		3.B2 (c)		% of unclassified roads in need of repair (Priority Measure)	Karen Hanson -Regeneration and Environment	Low	Annual	<28%	✓	⬆	24%	24%	23%	23%	23%			Nationally, the average condition achieved for this indicator is 18% (based on the latest 14/15 DfT data). It is recognised that this is currently unachievable and a realistic locally a target has been set at 28% with a programme of additional investment. This will be reviewed in 17/18 with a view to continued improvement. The Council has invested £5m over two years - 2015/17 - to prevent the deterioration of highways and to bring the condition of Rotherham's roads closer to the National Average. In addition, a further £10m of capital investmemnt has been approved for a 2017 - 2020 programme of works. Improvement shown against Q3 for 15/16 (24%)	
		3.B3(a)		Effective enforcement action taken where evidence is found a) Fly Tipping (fixed penalty notices and prosecutions)	Karen Hanson -Regeneration and Environment	High	Quarterly	Baseline Year	□	⬆	Not available - baseline year	Not available - baseline year	4	12	5			There is marked improvement in the current year around strengthened enforcement to tackle fly-tipping and other enviro-crime offences. Comparatively 3.B3(a) was cumulatively at 8 at the third quarter stage for 2015/16. The 2016/17 third quarter cumulative figure is 21. Whilst the current year's performance is a baseline measure, there is clear improvement across both measures.	
		3.B3(b)		Effective enforcement action taken where evidence is found b) Other enviro-crime (fixed penalty notices and prosecutions)	Karen Hanson -Regeneration and Environment	High	Quarterly	Baseline Year	□	⬆	Not available - baseline year	Not available - baseline year	14	7	164			Following approval of the 'Time for Action' approach to tackling environmental crime, options have been developed to ensure a significant increase in enforcement activity for environmental offences. Comparatively, the cumulative figures at the 3rd quarter stage for 15/16 were 34, at the quarter 3 stage for 16/17 the cumulative figure is 185.	
		3.B4(a)		Following re inspection of grounds maintenance works achieve no more than 5% defective/not to standard works (Priority measure)	Karen Hanson -Regeneration and Environment	Low	Quarterly	<5%	✓	↻	0%	0%	0%	0%	0%			Performance is being maintained throughout the 1st 3 quarters and the Council is confident the end target of <5% will be achieved	
		3.B4(b)		Number of grounds maintenance customer contacts	Karen Hanson -Regeneration and Environment	Low	Quarterly	<719	✓	⬆	Not available	719	332	286	73			At Q3 we are below target, using 15/16 Q4 contacts as a guide we fully expect to meet this target.	
		3.B5		Number of missed bins per 100,000 collections	Karen Hanson -Regeneration and Environment	Low	Quarterly	60	✓	⬆	38.33	62.7	62.28	52.11 (57.17 -Year to Date)	38.21 (45.75 - YTD)			Quarter 3 has seen a welcomed reduction in the number of missed collections. This has been achieved through monitoring of crews weekly performance and weekly performance meetings to feedback situation to crews and drive improvement. Figure calculated using total number of recorded missed bins resisted on Bartech each quarter / by total number of potential collections per quarter - all black bin, blue box, blue bag, green Bin (when collections running) and clinical waste.	

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting							Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)	
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16		Dec-16
		3.B6	Ensure an efficient and effective waste and recycling service	% of waste sent for reuse (recycling and composting)	Karen Hanson - Regeneration and Environment	High	Quarterly	45%	✓	🕒	40.02%	43.11%	Estimated Performance up to 30.6.16 = 50.34% Forecasted performance up to 31.3.17 = 44.99%	Performance (cumulative) up to 30.9.16 = 50.41% Forecasted performance up to 31.3.17 = 45.17%	Performance (cumulative) up to 31.12.16 = 47.28% Forecasted performance up to 31.3.17 = 45.1%				The 45% target has been calculated using the performance of the PFI plant over 2015/16 and the 2015/16 performance rates from Kerbside, HWRC & Bring site recycling. Recycling currently above target due to expected "front loading" of Spring/Summer collected Garden waste. As this recycling isn't collected from November recycling performance will reduce over the course of the year, so forecasted 31.3.17 figure also supplied to give true reflection of anticipated year end performance. It is hoped the PFI waste treatment plant will continue improve its recovery of recycling over the year, that will help to meet the target. Q3 figures are estimated as performance figures from some of our waste treatment facilities have only been received for Oct & Nov so far. Dec's data will be received by the end of Jan (always comes a month later than month end as processors have to collate their data) but this is after this returns are required to be submitted by dpt.

Corporate Priority 4 – Extending opportunity. Prosperity and planning for the future

Key		Overall status (relevant to target)																	
		✔	Measure progressing above or in line with target set	✖	Measure under development (e.g. awaiting data collection or target-setting)														
		●	Measure progress has been satisfactory but is not fully reaching target set	□	Measure not applicable for target (e.g. baseline year, or not appropriate to set a specific target)														
		✖	Measure has not progressed in accordance with target set	■	Measure information not yet available (e.g. due to infrequency or timing of information/data)														
		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting								Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)
Outcome	Lead Accountability (Strategic Director)										Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16	Dec-16	
A. Businesses supported to grow and employment opportunities expanded across the borough	Damien Wilson, Strategic Director Regeneration and Environment	4.A1	Deliver economic growth (via the Economic Growth Plan, Business Growth Board and Sheffield City Region)	Survival rate of new businesses (3 years) (Priority measure)	Paul Woodcock - Regeneration and Environment	High	Annual	57.5%	■		63.1%	60%							RIDO has taken a leading role in the development of the SCR Growth Hubs key business support programme for new businesses known as Launchpad This is a £4m SCR wide initiative and offers specialist support for new and early stage businesses, including networking events, workshops, coaching and one to one mentoring. A business accelerator programme has been developed in partnership with UK Steel Enterprise.
		4.A2		Number of jobs in the Borough (Priority measure)	Paul Woodcock - Regeneration and Environment	High	Annual	1,000 new jobs p.a. (10,000 over 10 years). No specific target for 2016/17 until 2015/16 data is available	■		92,300	100,000							Awaiting figures, new measure. May wish to consider deleting this measure due to the timing of data
		4.A3		Increase Number of Business Births / Start Ups per 10,000 Resident Population 16+ years old)	Paul Woodcock - Regeneration and Environment	High	Annual	50	■		47	47							Latest figure from ONS Business Demography 2014 dataset shows 47 start-up enterprises per 10,000 adult population. No change from 14/15 performance. Set target to increase to 50 for 2016/17. (2015-16 target was 35)
		4.A4		Overall number of businesses in the Borough (Priority measure)	Paul Woodcock - Regeneration and Environment	High	Annual	6,500	■		5,715	6,390							Target for 2015-16 was > 5,390. Specific target set for 2016-17.
		4.A5		Narrow the gap to the UK average on the rate of the working age population economically active in the borough	Paul Woodcock - Regeneration and Environment	Low	Quarterly	Reduce gap to 0.7%	✖	⬇️	2.8% gap	1% gap	2.60%	4.50%	Data not Available until later in Financial Year.				Latest figures from ONS APS June 2016. Rotherham = 73.4%, Uk rate = 77.9%, so gap has increased since last return . This is likely to be due to fluctuations due to the sample size and if a 4 Quarter average is looked at then the figure has stayed stable.
		4.A6		Median average gross weekly wage for full-time employees working in the borough. Percentage of UK average	Paul Woodcock - Regeneration and Environment	High	Annual	91.5%	■		90.7%	89.9%							Please note, data obtained from ONS, latest data received at the end of 2016 and shows the position at 01/04/16. Although a slight decline is shown year on year, the Annual Survey of Hours and Earnings, (ASHE) is unreliable at a local authority level given small sample size – it can fluctuate significantly from year to year and it is the longer term trend that is important (Rotherham has been around 90% of UK for several years). In view of the volatility of the survey the decline is not considered to be of concern.
		4.B1		Number of new homes delivered during the year (Priority measure)	Tom Bell - Adult Social Care and Housing	High	Annual (interim quarterly data also available)	731	✖	⬇️	633	663	201	178	96				No mechanisms are available to measure the number of new properties being built in the borough but figures are available for completed properties. This indicator is off target compared to the 1st quarter when 201 new homes were delivered. 178 new homes were completed in quarter 2 and a further 96 were completed in quarter 3 bringing the overall total of new home completions in the borough to 475 against the annual target of 731. Performance in the final quarter of the year is expected to improve when notifications of further completions are received. However early indications are that the year - end target for delivering 731 new homes in the borough will not be met .The action is rated as Red because progress in accordance with the target set has not been met and DOT rated as worsening because performance at the end of quarter 3 is 82 properties less than had been delivered in quarter 2.

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting							Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)	
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16		Dec-16
B. People live in high quality accommodation which meets their need, whether in the social rented, private rented or home ownership sector		4.B2	Implement the Housing Strategy 2016-2019 to provide high quality accommodation	% of stock that is non-decent (Priority measure)	Tom Bell - Adult Social Care and Housing	Low	Annual (interim quarterly data also available)	0.5%	✓	⬆️	0% (note Corporate Plan stated - 0.67%)	0% (note - Corporate Plan stated 1.3%)	1.30%	0.18%	0.13%				Of the 237 non-decent properties at year start, 211 have become decent. With the internal refurbishment programme running until the end of March 2017; the remaining 26 properties are scheduled for works on the internal refurbishment project over quarter 4 of 2016/17 programme. The full internal refurbishment project is schedule for delivery with this financial year with no properties expected to carry into the following financial year, as such the target of 0% non-decent properties forecasted for year end is forecast to be achieved.
		4.B3		Number of new social rented homes started in year	Tom Bell - Adult Social Care and Housing	High	Annual (interim quarterly data also available)	60	●	⬇️	49	77	46	4	2				No mechanisms are available to measure the number of new homes for rent being started in the borough but figures are available for completed properties. 2 new homes were provided for social rent in the 3 rd quarter of the year, 44 less than quarter 1 and 2 less than had been completed by the end of quarter 2. By the end of the quarter 52 new homes for rent have been delivered by the authority against an overall annual target of 60. Property completion notifications that will be received during the final quarter are expected to confirm the Council has achieved its target for this measure by the end of the year .The overall status of the action at the end of quarter 3 is rated as being Amber, meaning the year- end target will be achieved and DOT rated as worsening to reflect the position that performance between the 2 nd and 3 rd quarters had deteriorated.
		4.B4		Number of new affordable home ownership units started in year	Tom Bell - Adult Social Care and Housing	High	Annual	148	✗	⬆️	51	58	2	2	7				In future affordable home ownership will become the predominant tenure in affordable housing delivery. This is because the Government's "Starter Homes" agenda will replace rented affordable housing delivered through the planning system as S106 units. Additionally from 2016 the Affordable Homes Programme of grant funding will end. This will be replaced by the "Shared ownership & Affordable Homes Programme 2016 – 2021" (SOAHP)..
		4.B5(a)	Private rented housing – improving standards through selective licensing	% of eligible properties which have applied for a license, within Selective Licensing areas (Priority measure)	Karen Hanson - Regeneration and Environment	High	Monthly	95%	●	⬆️	Not available	87%	84%	91%	92%	91%	92%	93%	In Eastwood and Dinnington, more private rented properties were identified than had originally been estimated when the Council set its target for this measure using information from the 2011 census. Underestimating the number of properties resulted in significantly better performance than had been expected. For example by the end of quarter 2, 151% of properties in Eastwood had registered under the scheme. This inflated performance for the whole Selective Licensing Scheme. To compensate for this and in order to provide more accurate data the Council now caps performance across all Selective Licensing areas at 100%. Performance for the overall scheme at the end of the 3rd quarter is 92%, 1% higher than for quarter 2. The Council therefore is maintaining excellent progress delivering against this indicator and is confident the 95% year – end target will be achieved.
		4B5(b)		% of privately rented properties compliant with Selective Licensing conditions within designated areas (Priority Measure)	Karen Hanson - Regeneration and Environment	High	Annual	70%	✓		Not available as not previously required	Not available as not previously required						86%	An inspection regime is in place to test compliance . So far 700 of the 1,200 licensed houses have been inspected and where non compliance has been identified remedial actions have been taken to prevent formal action being taken by the Council. After these initial inspections and any informal enforcement concluded, 86% of properties have been found to be broadly compliant with housing legislation, which is a positive indicator. However this indicator should be treated with caution in terms of setting a future performace indicators as the inspections will have mosly taken place in properties who applied early and may be naturally more compliant.

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting							Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)	
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16		Dec-16
C. Adults supported to access learning improving their chances of securing or retaining employment	Ian Thomas, Strategic Director Children and Young People's Services	4.C1	Adults are supported and have access to learning opportunities	Increase the number of people aged 19+ supported through a learning programme	Karen Borthwick - CYPS	high	Annual (academic year from September to July)	1,950 (target amended from 450 increase to the overall number expected)			1,266 (figure amended to overall out-turn rather than increase of 289 in line with target)	1,500 (figure amended to overall out-turn rather than increase of 264 in line with target)							Learner enrolment targets for 16/17 have been revised in line with the changing focus of the Adult Education Budget with the overall target enrolments for 16/17 now 1,950.
		4.C1 a)		Increase the % of people aged 19+ supported through a learning programme who have: a) Obtained a formal qualification	Karen Borthwick - CYPS	high	Annual (academic year from September to July)	95%			94%	95%							The majority of learners participating in accredited courses will not complete until later in the academic year. So far we have only had results for 10 learners. For those learners the success rate is 100%.
		4.C1 b)		Increase the % of people aged 19+ supported through a learning programme who have: b) Progressed/working towards another level	Karen Borthwick - CYPS	high	Annual (academic year from September to July)	40%			26%	41%							Most of the learners are still actively learning so the progression data for learners is not calculated until the end of the academic year.
		4.C1 c)		Increase the % of people aged 19+ supported through a learning programme who have: c) Obtained or got a better job	Karen Borthwick - CYPS	high	Annual (academic year from September to July)	20%			12%	13%							Most of the learners are still actively learning so the progression data regarding employment is not calculated until the end of the academic year.
		4.C2		Increase the number of people working towards an English for Speakers of Other Languages (ESOL) accredited qualification	Strategic Director CYPS	High	Annual (academic year from September to July)	50			70	67							

Corporate Priority 5 – A modern, efficient Council

Key	Overall status (relevant to target)																
	✔	Measure progressing above or in line with target set					✂	Measure under development (e.g. awaiting data collection or target-setting)									
	●	Measure progress has been satisfactory but is not fully reaching target set					□	Measure not applicable for target (e.g. baseline year, or not appropriate to set a specific target)									
	✖	Measure has not progressed in accordance with target set					■	Measure information not yet available (e.g. due to infrequency or timing of information/data)									

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting							Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)	
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16		Dec-16
A. Maximised use of assets and resources and services demonstrate value for money	Judith Badger, Strategic Director Finance and Customer Services	5.A1	Maximising the local revenues available to fund council services	% Council Tax collected in the current financial year	Stuart Booth - Finance and Customer Services	High	Monthly	97% (Top Quartile Met Authorities)	✔	⬇	97.2%	97.3%	27.7%	54.3%	80.8%	63.2%	72.1%	80.8%	Performance is measured at the end of each month. The Met Council average for 15/16 was 95.4%, had Rotherham performed at the Met average it would have collected £1.976 million less from last year's Council Tax. The overall rating and DoT rating is based on a comparison against last years performance. Performance is 80.83% which is 0.27% down on the same as the same time the previous year when it was 81.1%. It is expected that the target of 97% will be achieved by the year end although collection performance will need to be carefully managed over the next quarter in order that this is achieved.
		5.A2		Cumulative Council Tax arrears per property	Stuart Booth - Finance and Customer Services	Low	Annual (interim quarterly and monthly data also available)	£109.22 (Top Quartile Met Authorities)	✔	⬆	£66.98	£68.12	£58.59	£51.06	£46.07	£49.26	£47.55	£46.07	For 15/16 we were the third best Met Council with £68.12 per property. The Met Council average for 15/16 was £148.58. Had Rotherham performed at Met average we would currently have an additional £9.3million outstanding arrears. We currently have 45p lower arrears per property compared with the same time last year when they were £46.52 and it is expected that the target will be achieved by the year end. The overall rating and DoT rating is based on a comparison against last years performance.
		5.A3		% non-domestic (business) rates collected in the current financial year	Stuart Booth - Finance and Customer Services	High	Monthly	98% (Top Quartile Metropolitan Authorities)	✔	⬆	98.3%	98.1%	28.4%	54.9%	81.7%	64.1%	73.1%	81.7%	Performance is measured at the end of each month. For Non Domestic Rates in 15/16 we were 8th highest Met (out of 36) with 98.1%. The Met Council average for 15/16 was 97.1%, had Rotherham performed at the Met average it would have collected £680k less from last year's Non Domestic Rates (49% of this is our share so £326,000). Performance of 81.65% is 0.45% up on the same time the previous year when it was 81.2%. It is expected that the target of 98% will be achieved by the year end. The overall rating and DoT rating is based on a comparison against last years performance.
B. Effective governance arrangements and decision making processes are in place	Shokat Lal, Assistant Chief Executive	5.B1	Establishing and working to a new Local Code of Corporate Governance, encompassing: • Risk management • Information governance (including FOI/DSA) • Business continuity • Internal audit • Emergency planning	Fit for purpose Annual Governance Statement 2016/17 (Priority measure)	Simon Dennis - Assistant Chief Executive's Directorate	n/a	Annual	Improved Annual Governance Statement in 2016/17	■		Qualified Conclusion reached	Qualified Conclusion reached							The final 2015/16 AGS was published on 30 September 2016. This includes an overall qualified conclusion on the Council's governance arrangements. Work to draw together the 2016/17 AGS will commence in early 2017. Additionally, arrangements are in place for establishing a new Local Code of Corporate Governance early in 2017.
	Shokat Lal, Assistant Chief Executive	5.B2	The Scrutiny function is effective; engages members and improve outcomes for Rotherham residents and communities	% of scrutiny recommendations which are accepted and implemented	James McLaughlin, Assistant Chief Executive's Directorate	High	Quarterly	80%	■		Not available - not previously been required	Not available - not previously been required	0	0	0				To 31st December, no formal Scrutiny recommendations had been made to Cabinet, so no data is available.
		5.B3		Number of pre-scrutiny recommendations adopted	James McLaughlin, Assistant Chief Executive's Directorate	High	Quarterly	60%	✔	⬆	Not available - not previously been required	Not available - not previously been required	Not available	100%	100%				Pre-decision scrutiny process commenced in July 2016. Recommendations were made for the Cabinet and Commissioner Decision Making Meetings in September, October, November and December and were accepted. It is worth noting that pre-decision scrutiny has resulted in additional recommendations and supporting existing recommendations, rather than any substantial changes to proposals.
		5.C1 a)		a) Total number of complaints received by the Council	Justin Homer - Assistant Chief Executive's Directorate	Not applicable	Monthly	No target - not applicable	□		692	695	205	271	275	101	93	81	Decrease in the number of complaints received in December. This is in line with year on year trends. The number received in the Quarter is slightly increased.

		Ref No.	Action	Measure	Lead officer	Good performance	Frequency of reporting	Target			Data available dependent upon the frequency of reporting							Data notes (where measure has not progressed in accordance with the target set provide details of what is being done to improve performance)	
Outcome	Lead Accountability (Strategic Director)								Overall status	DOT	Annual		Quarterly			Monthly			
											Year end 2014/15	Year end 2015/16	Q1 Apr - Jun 2016	Q2 Jul - Sep 2016	Q3 Oct - Dec 2016	Oct-16	Nov-16		Dec-16
C. Staff listen and are responsive to customers to understand and relate to their needs	Shokat Lal, Assistant Chief Executive	5.C1 b)	Treating customer complaints with respect and dealing with them in an efficient and outcome-focussed way	b) % of complaints closed and within timescale (cumulative)	Justin Homer - Assistant Chief Executive's Directorate	High	Monthly	85%			82%	80%	79%	82%	86%	87%	85%	86%	Prformance but remains above target, Performance measures in Regeneration & Environment have worked.
		5.C2		Number of compliments received	Justin Homer - Assistant Chief Executive's Directorate	Not applicable	Monthly	No target - not applicable			604	603	183	168	226	69	78	79	Month on month increase in the number received. All Directorates continue to be reminded to report all received. Significant improvment Q2-Q3.
		5.C3	Resident satisfaction - Assessing overall public opinion on the way the council is working and responding to customers	% of residents satisfied with the way Rotherham Metropolitan Borough Council runs things	Tracy Holmes, Assistant Chief Executive's Directorate	High - very or fairly satisfied	6 monthly	>55%				55% June 2015 and 54% December 2015 very or fairly satisfied	50% June 2016 very or fairly satisfied		50% December 2016 very or fairly satisfied				The LGA polling on resident satisfaction is conducted on a 6 monthly basis and was requested by the Commissioners.
		5.C4		% of residents that have confidence in Rotherham Metropolitan Borough Council	Tracy Holmes, Assistant Chief Executive's Directorate	High - great or moderate extent	6 monthly	>41%				41% June 2015 and 45% December great or moderate extent	44% June 2016 great or moderate extent		49% December 2016 great or moderate extent				The LGA polling on resident satisfaction is conducted on a 6 monthly basis and was requested by the Commissioners.
	Judith Badger, Strategic Director Finance and Customer Services	5.C5 a)	Enable customers to be active and interact with the Council in an efficient way, accessing more services online	% of transactions a) online	Luke Sayers - Finance and Customer Services	High	6 monthly	>36%			24%	36%		36%					6 monthly measure only
		5.C5 b)		% of transactions b) face to face customers	Luke Sayers - Finance and Customer Services	Low	6 monthly	<6%			9%	6%		6%					6 monthly measure only
		5.C5 c)		% of transactions c) telephony customers	Luke Sayers - Finance and Customer Services	Low	6 monthly	<58%			67%	58%		58%					6 monthly measure only
D. Effective members, workforce and organisational culture	Shokat Lal, Assistant Chief Executive	5.D1	Staff and managers have an opportunity to reflect on performance, agree future objectives and are aware of how they contribute to the overall vision	% PDR completion	Tracey Parkin, Assistant Chief Executive's Directorate	High	Annual	95%			61%	96%	94.5%	96%	96%				Achievement at 96% against 95% target. Target for 2017/18 will be agreed as part of lessons learned in autumn.
		5.D2	Sickness is managed and staff wellbeing supported	Days lost per FTE (Priority measure)	Ian Henderson, Assistant Chief Executive's Directorate	Low	Monthly	10.2			10.9 days (excluding schools)	10.43 Days (excluding schools)	11.10 days (excluding schools)	10.71 days (excluding schools)	10.70 days (excluding schools)	10.69 days (excluding schools)	10.84 days (excluding schools)	10.70 days (excluding schools)	Sickness figure is an annualised projection based on performance to date and historic profiles. Targeted intervention measures are currently being applied and further work is being undertaken to refresh management processes and target specific issues. Sub group of Health, Safety & Wellbeing Committee focusing on sickness management.
		5.D3	Reduced use of interims, temporary and agency staff through effective and efficient recruitment	Reduction in Agency cost (Priority measure)	Ian Henderson, Assistant Chief Executive's Directorate	Low	Monthly	10% reduction			£2.8m	£6.8m	£2,263 (+33%)	£4,859 (+43%)	£7,335 (+43%)	£5,755 (+43%)	£6,534 (+43%)	£7,335 (+43%)	DoT is based on projected annual expenditure against last years actual. Classification of certain consultancy expenditure now as agency may be distorting annual projections. Workforce Management Board to monitor cost and approve any further expenditure.
		5.D4	Members are able to fulfil their roles as effective community leaders	% members receive a personal development interview leading to a structured learning and development plan	James McLaughlin, Assistant Chief Executive's Directorate	High	Annual	85%				80%							Annual measure. Too early in the municipal year to assess progress.

Public Report
Cabinet and Commissioners' Decision Making Meeting

Summary Sheet

Council Report

Cabinet and Commissioners Decision Making Meeting – 13 February 2017

Title:

Budget and Council Tax 2017/18

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

Yes

Strategic Director Approving Submission of the Report

Strategic Director of Finance and Customer Services – Judith Badger

Report Author

Pete Hudson – Chief Finance Manager

Ward(s) Affected:

All

Executive Summary

This report proposes the Council's Budget and Council Tax for 2017/18 based on the outcome of the Council's Provisional Local Government Financial Settlement, budget consultation and the consideration of Directorate budget proposals through the Council's formal Budget and Scrutiny process (Overview and Scrutiny Management Board) alongside a review of the financial planning assumptions within the Medium Term Financial Strategy.

In setting the proposed 2017/18 Budget, Cabinet are asked to recommend to Council an increase of 1.99% in the Council's basic Council Tax and a further 3% increase for the Adult Social Care precept; a combined increase of 4.99% for 2017/18.

Although this report contains proposals to balance the revenue budget for 2017/18, further work needs to be undertaken to bring forward proposals for future years to enable the Council to establish a clear and sustainable financial plan which addresses the estimated £42m financial gap that remains over the next two years (2018 to 2020).

This Budget incorporates over £10m of additional investment in Children's safeguarding and over £3m of additional direct investment in Adult Social Care alongside indirect budget increases resulting from increased costs of current service provision. It will enable the reinstatement of the Joseph Rowntree Foundation Living Wage rate from April 2017 for the Council's own staff and will also provide £100k funding to help to partially mitigate the impact of Welfare Reform on the most vulnerable – through the provision of a budget for food parcels and crisis loans.

Whilst doing this, the Budget minimises, as much as possible, the adverse impact on universal services (those which benefit all Rotherham residents as opposed to targeted services for people with specific needs) and also provides some additional income streams related to leisure activities. The Budget will provide resources to support and enable the delivery of the specific savings included within this report and to assist with the development and delivery of the further £42m savings that are required over the next two financial years.

This report also provides feedback from both public and partners in relation to the budget proposals that were published on the Council's website for consultation until 3rd January 2017.

Recommendations

That Cabinet recommend to Council:

- Approval of the Budget and Financial Strategy for 2017/18 as set out in the report and appendices, including the need to deliver £24m of budget savings and a basic Council Tax increase of 1.99%.
- Approval of the Government's proposals for the maximum Adult Social Care precept of 3% on Council Tax for 2017/18 to fund additional costs and investment in Adult Social Care Services.
- Approval that the precept figures from South Yorkshire Police Authority, South Yorkshire Fire and Rescue Authority and the various Parish Councils within the Borough be incorporated, when known, into the recommendation to the Council on 8th March 2017.
- That an updated Medium Term Financial Strategy (MTFS) is brought back to Cabinet in 2017/18 after the accounts for 2016/17 have been closed.
- Approval of the proposed use of reserves as set out in Section 3.5, noting that there may be a variation subject to the Final Local Government Finance Settlement and that the final determination will be approved as part of reporting the outturn for 2016/17.
- Approval that any changes resulting from the Final Local Government Finance Settlement be reflected in the Budget report to Council on 8th March with the balance of any change being reflected in a change in the required use of reserves.

- That it notes and accepts the comments and advice of the Strategic Director of Finance and Customer Services (Section 151 Officer), provided in compliance with Section 25 of the Local Government Act 2003, as to the robustness of the estimates included in the Budget and the adequacy of reserves for which the Budget provides (Section 3.9).
- That it notes the consultation feedback from the public and partners following publication of Directorate budget savings proposals on the Council's website for public comment from 1st December 2016 to 3rd January 2017 (Section 5).
- Approval of the use of in-year Capital Receipts to maximise capitalisation opportunities arising from service reconfiguration to deliver efficiencies and improved outcomes for clients and residents, and thereby minimise the impact of costs on the revenue budget as included in the Flexible use of Capital Receipts Strategy 2017/18 (Appendix 5).
- Approval of the proposed Capital Strategy as presented in Section 3.7 and Appendix 3A and 3B, to a value of £280.240m. This requires prudential borrowing of £49.636m to fund non-HRA schemes over the five year period, for which provision has been made in the revenue budget for the associated financing costs.
- That the approved Capital Strategy budget be managed in line with the following key principles:
 - (i) Any underspends on the existing approved Capital Programme in respect of 2016/17 be rolled forward into future years, subject to an individual review of each carry forward by the Strategic Capital Investment Group.
 - (ii) In line with Financial Regulation 13.8, any successful grant applications in respect of capital projects will be added to the Council's approved Capital Programme. This will include projects that are included within the Development Pool, where funding has yet to be identified.
 - (iii) Capitalisation opportunities and capital receipts flexibilities will be maximised, with capital receipts earmarked to minimise revenue costs.
- Approval of the prudential indicators and limits for 2017/18 to 2019/20 contained in this report. (Appendix 4 – Section 3.1 – 3.4)
- Approval of the Minimum Revenue Provision Policy Statement which sets out the Council's policy (Appendix 4 – Annex A).
- Approval of the Treasury Management Strategy for 2017/18 to 2019/20 and the Authorised Limit Prudential Indicator (Appendix 4 – Section 3.5); and,

- Approval of the Investment Strategy for 2017/18 to 2019/20 (Appendix 4 – Section 3.5.5).

List of Appendices Included

Appendix 1 – Summary of Directorate Budget Savings Proposals 2017/18 – 2019/20

Appendix 2 – Fees and Charges 2017/18

Appendix 3A – Capital Strategy 2016-2021- Projects that have not yet commenced and new projects for inclusion in the Capital Strategy 2017-2022

Appendix 3B – Summary Capital Strategy by Project 2016-2022

Appendix 4 – Treasury Management Matters

Appendix 5 – Flexible use of Capital Receipts Strategy 2017/18

Appendix 6 – Statutory Resolution of Council Tax 2017/18. *(This information is not available in time for the Cabinet Report but will be included in the Budget Report to Council on 8th March 2017).*

Appendix 7 – Reserves – value and use

Background Papers

- Council Tax Base Report 2017/18 – Council 25th January 2017
- Housing Rents 2017/18 – Council 25th January 2017
- Provisional Local Government Financial Settlement – 15th December 2016
- Capital Programme Budget Setting Report 2016/17-202/21 – Council 2nd March 2016
- Prudential Indicators and Treasury management and Investment Strategy 2016/17 – 2018/19
- MTFs Update Report to Council – 7th December 2016
- December Financial Monitoring report – Cabinet 13th February 2017
- CIPFA – The Prudential Code for Capital Finance in Local Authorities 2011 (as amended 2012) and related Guidance Notes 2013
- CIPFA – Treasury Management in the Public Services – Code of Practice and Cross-Sectoral Guidance Notes
- CIPFA – Treasury Management in the Public Services – Guidance Notes for Local Authorities including Police Authorities and Fire Authorities
- Communities and Local Government Investment Guidance – March 2010
- The Local Government Act 2003

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Overview and Scrutiny Management Board (OSMB) meetings – 18th November 2016, 2nd & 16th December 2016 and 3rd February 2017

Council – 8th March 2017

Treasury Management Report - Audit Committee - 8th February 2017.

Council Approval Required:

Yes

Exempt from the Press and Public:

No

Title: Budget and Council Tax 2017/18

1. Recommendations

That Cabinet recommend to Council:

- 1.1 Approval of the Budget and Financial Strategy for 2017/18 as set out in the report and appendices, including the need to deliver £24m of budget savings and a basic Council Tax increase of 1.99%.
- 1.2 Approval of the Government's proposals for the maximum Adult Social Care precept of 3% on Council Tax for 2017/18 to fund additional costs and investment in Adult Social Care Services.
- 1.3 Approval that the precept figures from South Yorkshire Police Authority, South Yorkshire Fire and Rescue Authority and the various Parish Councils within the Borough be incorporated, when known, into the recommendation to Council on 8th March 2017.
- 1.4 That an updated Medium Term Financial Strategy (MTFS) is brought back to Cabinet in 2017/18 after the accounts for 2016/17 have been closed.
- 1.5 Approval of the proposed use of reserves as set out in Section 3.5, noting that there may be a variation subject to the Final Local Government Finance Settlement and that the final determination will be approved as part of reporting the final outturn for 2016/17.
- 1.6 Approval that any changes resulting from the Final Local Government Finance Settlement be reflected in the Budget report to Council on 8th March with the balance of any change being reflected in a change in the required use of reserves.
- 1.7 That it notes and accepts the comments and advice of the Strategic Director of Finance and Customer Services (Section 151 Officer), provided in compliance with Section 25 of the Local Government Act 2003, as to the robustness of the estimates included in the Budget and the adequacy of reserves for which the Budget provides (Section 3.9).
- 1.8 That it notes the consultation feedback from the public and partners following publication of Directorate budget savings proposals on the Council's website for public comment from 1st December 2016 to 3rd January 2017 (Section 5).
- 1.9 Approval of the use of in-year Capital Receipts to maximise capitalisation opportunities arising from service reconfiguration to deliver efficiencies and improved outcomes for clients and residents, and thereby minimise the impact of costs on the revenue budget as included in the Flexible use of Capital Receipts Strategy 2017/18 (Appendix 5).

- 1.10 Approval of the proposed Capital Strategy as presented in Section 3.7 and Appendix 3A and 3B, to a value of £280.240m. This requires prudential borrowing of £49.636m to fund non-HRA schemes over the five year period, for which provision has been made in the revenue budget for the associated financing costs.
- 1.11 That the approved Capital Strategy budget be managed in line with the following key principles:
- (i) Any underspends on the existing approved Capital Programme in respect of 2016/17 be rolled forward into future years, subject to an individual review of each carry forward by the Strategic Capital Investment Group.
 - (ii) In line with Financial Regulation 13.8, any successful grant applications in respect of capital projects will be added to the Council's approved Capital Programme. This will include projects that are included within the Development Pool, where funding has yet to be identified.
 - (iii) Capitalisation opportunities and capital receipts flexibilities will be maximised, with capital receipts earmarked to minimise revenue costs.
- 1.12 Approval of the prudential indicators and limits for 2017/18 to 2019/20 contained in this report (Appendix 4 – Section 3.1 – 3.4).
- 1.13 Approval of the Minimum Revenue Provision Policy Statement which sets out the Council's policy (Appendix 4 – Annex A).
- 1.14 Approval of the Treasury Management Strategy for 2017/18 to 2019/20 and the Authorised Limit Prudential Indicator (Appendix 4 – Section 3.5); and,
- 1.15 Approval of the Investment Strategy for 2017/18 to 2019/20 (Appendix 4 – Section 3.5.5).

2. Background

This section of the report incorporates the following financial matters related to the Budget and Financial Strategy for 2017/18 and the medium term, which need to be considered by Council.

- 2.1 Local Context – Government Intervention & the impact on the Council of Public Sector Funding Cuts.
- 2.2 Revenue Budget Position 2016/17 – as at December 2016.
- 2.3 Provisional Local Government Finance Settlement 2017/18.
- 2.4 Approach to the Budget Strategy for 2017/18 and the Medium Term Financial Plan to 2019/20.
- 2.5 Fees and Charges.

2.1 **Local Context**

- 2.1.1 Following the findings of the Professor Alexis Jay (August 2014), Ofsted (November 2014) and Corporate Governance Inspection (CGI) (February 2015) reports, and with the support of Government appointed Commissioners, Rotherham Council is now nearing two years into its recovery and improvement journey. The progress made against the 'Fresh Start' Improvement Plan, published in May 2015, has been regularly reported in the published Commissioners' Reports to Government. The most recent of these, in November 2016, confirmed that 82% of the 108 separate actions in the plan's first phase had been delivered and completed to the required standards and timescales, with all ongoing activity reflected in a re-assessed phase two action plan from May 2016 (endorsed by Council in July 2016). The November 2016 Commissioners' update report noted that steady progress had been made by that point in terms of the delivery of phase two activity; and the Commissioners' next report to Government, in February 2017, will provide a more substantive update on phase two progress to the end of the 2016 calendar year.
- 2.1.2 In the light of the positive "phase one" progress around one third of the Council's services were returned to the authority's control around 12 months ago, from February 2016. Following recommendations made by Commissioners, Council control of critical licensing functions returned from December 2016. The Commissioners' most recent update report in November 2016 recommended to the Secretary of State that consideration be given to the return of more powers relating to economic growth, partnership working, community safety, adult social care, performance management, audit, waste and ground maintenance.
- 2.1.3 Over the last 6 years (2011/12 to 2016/17) the Council has responded to the significant and unprecedented financial reductions imposed on local government as part of the Government's austerity programme. Over this 6 year period, the Council has addressed a cumulative funding gap of £138m.
- 2.1.4 For 2017/18 the Council is required to address a £24m funding gap. This represents the initial estimated funding gap for the year of £13m (as detailed in the June 2016 MTFS Update report to Cabinet) plus a further £11m additional budget approved by Council on 7th December 2016. This investment recognised the significant demand pressures primarily within Children's Social Services but also Adult Social Care Services and the corporate support provided to these services, to realise greater savings into the near future.
- 2.1.5 This report contains the budget proposals to meet the significant challenge in 2017/18 and sets the direction for further savings through to 2019/20 and beyond.
- 2.1.6 The proposed Directorate savings contribute £11.096m towards meeting the 2017/18 funding gap and are set out in summary in Table 5 and in detail at Appendix 1.

- 2.1.7 The Council's Medium Term Financial Strategy and Capital Strategy documents will be updated to reflect this Budget Report and the figures and details announced in the Final Local Government Finance Settlement when it is received. This will include annual funding forecasts up to 2019/20 and will reflect any economic and legislative changes, and adjustments for other factors impacting the Council's budget. The MTFS update will be brought to Cabinet in 2017/18 following closure of the 2016/17 accounts.
- 2.1.8 One of the Council's key priorities within its budget strategies has been to limit the impact of the cuts on services for the most vulnerable people and those in need whilst continuing to ensure delivery of universal services. This remains a priority, but it is also important to recognise that this commitment is becoming increasingly difficult to sustain in the face of the ongoing funding reductions. The Council's vision, as set out in the 2016/17 Corporate Plan, sets out four headline priorities, all of which aim to protect the most vulnerable in Rotherham and provide greater opportunities for more people to prosper, namely: *every child making the best start in life; every adult secure, responsible and empowered; a strong community in a clean, safe environment; and extending opportunity, prosperity and planning for the future.*
- 2.1.9 There is a further, cross-cutting theme to be a *modern and efficient Council* which includes specific commitments to look at technological, digital and other innovative solutions that can reduce the Council's costs, offer local tax-payers increased value for money, and also improve services despite the budget challenges faced. The Council's new Digital Strategy, presented to the 12th September 2016 Cabinet and Commissioners Decision Making meeting is a critical element of this and 2017 will see sustained focus on the implementation of the actions needed to deliver the strategy.
- 2.1.10 In meeting the year on year significant financial challenges presented, the Council has demonstrated a successful track record in delivering its financial plans. However, it is recognised that into the future this will only be sustainable if the Council maintains a clear focus on its corporate plan priorities and key outcomes and puts in place a new, different relationship with its citizens, residents and other stakeholders. Whilst the Council will continue to drive savings through continued modernisation and efficiency and improving value for money for Rotherham residents, it is inevitable that the full range of services currently provided will not be able to be provided or provided to the same extent in the future, and service cuts will be inevitable.

2.2 Revenue Budget Position 2016/17

- 2.2.1 The December revenue financial monitoring position, elsewhere on this agenda, shows a forecast outturn of £343k. This forecast outturn is after the additional £8.456m budget approved by Council on 7th December 2016 which will need to be funded from the Council's available reserves. This assumption has been built into the Budget and reserves planning and strategy.

- 2.2.2 Most of the budget savings for 2016/17 have been delivered in full with the exception of the £1m saving in respect of changes to staff terms and conditions of employment. Extensive dialogue has been undertaken with Trade Union colleagues over several months and it is anticipated that the saving (£2m full year effect) will be delivered from April 2017. The Budget proposed in this report assumes that to be the case.
- 2.2.3 Whilst it is anticipated that the stringent procurement and recruitment controls currently in place will further reduce the current forecast overspend position, it is also necessary to be mindful of the continued demand related cost pressures on services, particularly those in relation to social care and also winter road maintenance - which is dependent on weather conditions for the remainder of the year. The final outturn will impact the Council's reserves position and this impact will be reflected in the MTFS update to Cabinet in the new financial year following closure of the 2016/17 accounts.
- 2.2.4 The 2016/17 budget remains under close scrutiny with monthly monitoring reports and updates being provided to the Strategic Leadership Team (SLT) and Cabinet Members.

2.3 Provisional Local Government Settlement 2017/18

- 2.3.1 Table 1 below shows the Provisional Local Government Settlement for the Council announced on 15th December 2016. At the time of writing the Final Settlement has not been announced. A verbal update will be provided at the meeting in order that any differences to the Provisional Settlement can be reflected in the report to Council on 8th March 2017.

Table 1 – Provisional Settlement Funding Assessment

	Provisional Settlement
	£'000
Revenue Support Grant	28,943
Business Rates Top Up	27,692
Retained Business Rates – assumed by Government	32,262
Provisional Settlement Funding Assessment (SFA)	88,897

- 2.3.2 The Provisional Settlement figures include the Government's estimate of what it believes a Council will have by way of Retained Business Rates resource. Council's will, where appropriate, substitute their own estimate of a realistic level of retained business rates funding. This proposed budget assumes the Government estimate. Any variation will be reflected in the MTFS Update report to Cabinet.
- 2.3.3 In addition to the Provisional Settlement Funding Assessment above, other sources of Government non-ringfenced grant funding is also available to support the budget. The 2017/18 allocations are set out in Table 2 below:

Table 2 - Further Provisional Settlement Resources (non-ringfenced)

Funding Source	£'000
New Homes Bonus	5,218
Business Rates: Section 31 Grants	1,664
Business Rates: Renewable Energy	147
Business Rates: Enterprise Zone	284
TOTAL	7,313

2.3.4 Therefore the total level of Government non-ringfenced grant available to support the budget in 2017/18 is £96.210m (SFA £88.897m plus non-ringfenced grants £7.313m).

2.3.5 In addition to the above non-ringfenced funding the Council also receives Specific Grant Funding. Where known the values are shown in Table 3 below:

Table 3 – Specific Grants

Specific Grants	2017/18 £'000
Public Health	16,734
PFI: Education (Revenue)	6,223
PFI: Leisure (Revenue)	1,811
PFI: Waste (Revenue)	1,781
Adult Social Care Support Grant (one-off)	1,351
Improved Better Care Fund	1,090
Housing Benefit Administration Grant	1,129
Local Council Tax Support Administration Subsidy	426
High Needs Strategic Planning Fund	110

2.3.6 The Public Health specific grant allocation has been confirmed for 2017/18 as £16.734m and is £423k less than the 2016/17 allocation. This is in line with what was announced during 2015. The grant is currently ring-fenced and carries conditions on how it can be used. The government has announced that it will be shortly consulting on fully funding local authorities' public health spending for current public health duties from their retained business rates receipts as part of the move to 100% rates retention.

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

2.3.8 The Council has also received a one-off Social Care Support Grant of £1.351m for 2017/18 from Central Government. This will be used to fund:

- £481k - Investment approved by Council – 7th December 2016 for Brokerage Team, Direct payments and Project Support (time limited)
- £489k – Continuation of service provision during progression of the Adult Social Care Development Programme for 2017/18 (one-off).

- £381k (balance) – support the balance of the investments in Adult Social Care services in excess of the 3% Adult Social Care precept.

2.3.9 The Council has received confirmation of a £1.090m allocation from the Improved Better Care Fund for 2017/18. It is currently unknown whether this funding comes with conditions, and if so, what those conditions might be. It is anticipated that more information will be provided in the Final Settlement. It is proposed that once this clarification is provided, Cabinet will determine how this funding will be used.

2.3.10 Housing Benefit Administration Grant and Local Council Tax Administration Subsidy: Grant and subsidy towards the administration costs of the Housing Benefit and Council Tax Support schemes and the ongoing costs of implementing Welfare Reform changes.

2.3.11 High Needs Strategic Planning Fund is a one-off grant of £110k for 2017/18 and has been used to partially fund some of the investment approved by Council for CYPS High Needs services on 7th December 2016.

2.3.12 In addition to the above the Council also receives funding for allocation to schools:

- Dedicated Schools Grant (DSG) – The DSG rate per pupil for the Schools Block for 2017/18 is £4,777.49, a reduction of £59.16 from 2016/17 following re-alignment of the DSG blocks. The rate per pupil for the Early Years block is £4,085.00, an increase of £214.68 from 2016/17 due to the introduction of a new national Early Years funding formula. The funding for the High Needs Block continues to be the re-aligned 2016/17 baseline plus additional funding for placements and top-up funding for both 2016/17 and 2017/18 less direct funding of places by the EFA to academies and independent providers.
- School's Pupil Premium is additional funding provided to schools, the value of which is based on 3 elements:
 - 'Disadvantaged Premium' will continue to be £1,320 per pupil for Primary School children and £935 for Secondary School children, the same as in 2016/17. Pupils who have been eligible for Free Schools Meals in the last 6 months will attract this premium.
 - The Looked After Children Premium for children who have been looked after for one day or more, and including children who have been adopted from care or who leave care under a special guardianship or residence order (referred to as Pupil Premium Plus), will be £1,900 per eligible pupil, the same value as in 2016/17.
 - The Service Child Premium which funds children of Armed Services personnel remains at £300 per pupil.

- Year 7 Literacy and Numeracy Catch-up Premium is an additional resource for schools directed at additional literacy and numeracy catch-up support during Year 7. In 2016/17 schools were allocated £500 for each pupil not achieving level 4 at Key Stage 2 in reading and/or maths. The rate per eligible pupil is to be confirmed early in 2017.
- Devolved Formula Capital funding for Schools is estimated at £348k for 2017/18. The allocation for 2016/17 was £516k.
- Sixth form funding from the Education Funding Agency (EFA) is yet to be confirmed. (2016/17 was £2.667m).

2.4 Approach to the Budget for 2017/18 and the Medium Term Financial Strategy to 2019/20

- 2.4.1 During the summer the Council set the strategic framework to support the development of the budget for 2017/18 through to 2019/20, and in particular the approach to developing investment and savings options to address the funding gap to 2019/20. The proposed approach is designed to ensure that investment and savings options are not considered in isolation or directorate silos, but instead contribute to the principles and priorities as set out within the Corporate Plan and Medium Term Financial Strategy.
- 2.4.2 Rotherham MBC has a proven track record of delivering significant savings. Between 2011 and January 2017 the Council has made savings of £138m and reduced its headcount by 1,700 staff (over 1,000 full time equivalent staff), whilst minimising the tax burden on households when real term incomes for Rotherham residents have not been increasing. As set out below, the Council is facing ongoing financial challenges. Further reductions in Government funding as a result of its deficit reduction plans; rising cost pressures such as the National Living Wage; increasing demand for services as a result of a growing population and changing demographics in Rotherham; and the impact of inflation all contribute to the financial challenges ahead.
- 2.4.3 This budget challenge means that the Council must be responsible in its budget setting approach, prioritising investment and savings proposals that best contribute to the Council's priorities and the needs of Rotherham's residents, and ensure that best value is demonstrated across the breadth of Council services.
- 2.4.4 However, whilst the Council is inevitably becoming *smaller in size*, the strategy for the future is to ensure that the Council is *bigger in influence*. This means a changing role for the Council. Stronger civic leadership, greater collaboration, integration and shared services with other public services. It also means a new social contract between residents and the Council that builds on individual and community assets to enable people to live more independently, for longer, with the support of their family, social networks and local neighbourhood resources. And it also means a clear focus and prioritisation of resource – and in some cases stopping doing things that the Council has traditionally done before.

- 2.4.5 It is also important to underline the continuing spending power of the Council despite funding cuts. With a current proposed revenue budget of £204.826m in 2017/18, the Council will remain a key lever for growth and investment in Rotherham and the wider Sheffield City Region. The challenge is to ensure the sustainability of the Council to deliver services, keep the Council Tax rate as low as possible for residents and deliver against the Council's stated priorities. This means making carefully considered investment and savings decisions through to 2020 and in some cases making real cuts and reductions in service provision.
- 2.4.6 This budget strategy is set against the particular demand pressures and cost challenges facing Rotherham. In part these pressures arise from the good news that more new homes are being built in Rotherham, attracting more people into the area. But this impacts on the provision of universal services such as environment and waste services. Residents are living longer, but with more long term conditions which is stretching already squeezed health and social care budgets. Rotherham's schools are performing well, particularly when set against its City Region comparators, but this is placing strain on our school budgets and work is required to develop a sustainable approach for the dedicated schools grant budget.
- 2.4.7 The particular challenges factored into the budget strategy for investment and savings include:
- **Demographic changes** – Using ONS population projections, Rotherham's population is forecast to grow by 4,400 by 2021 or 1.7%. However this population growth is within particular age groups likely to increase pressure on Council services, especially social care. This includes a significant rise in the over 75 population, by 15% from 22,200 to 25,600 and a further rise in the over 85 population by 15% from 5,900 to 6,800. Within the older population a significant proportion are living with frailty and other long term conditions. For example, on average Rotherham men live for 21 years and women 22 years with poor health. At the other end of the age spectrum, there is a forecast increase of 1,800 (or 5.1%) of the predominantly school age (5-15) population. Only by changing the way the Council delivers support to older people in Rotherham, particularly focusing on connecting people to community assets to keep people as independent as possible for as long as possible and integrating care pathways with the CCG and acute service providers, will it be possible to respond to this increasing demand and deliver high quality care. This means joining up health, housing and social care services more effectively. Similarly, it is important to ensure that the delivery model to support schools through traded services is as efficient, enterprising and responsive as possible.

- **Increasing safeguarding costs, particularly with children and young people** – As the Council transforms the way it delivers children's services and becomes a child centred borough, there is a corresponding increase in the numbers of Looked After Children in Rotherham. The most recent analysis suggested that without further investment and intervention the LAC population will continue to rise from 489 (as at December 2016) by 48 per year. The budget challenge is to safely and sustainably reduce the LAC population through the investment agreed in December to provide coordinated early help, targeted and evidence based early intervention, and drive down the unit costs of high cost placements where it is safe to do so.
- **Poor health, low incomes and worklessness** – Rotherham is one of the 20% most deprived districts/unitary authorities in England and about 23% (11,300) of children live in low income families. Life expectancy for both men and women is lower than the England average, with life expectancy 9.5 years lower for men and 7.0 years lower for women in the most deprived areas of Rotherham than in the least deprived areas. Worklessness is concentrated in particular local neighbourhoods of the Borough predominantly near the town centre. Today, Rotherham has 13,320 residents claiming sickness benefits, of which 64% have been claiming for more than 2 years (8,590), despite the economic gains in the City Region. Within these claimants, almost half are as a result of mental and behavioural disorders. The budget challenge is to leverage the investment at a city region and national level directed at employment support, including the forthcoming Work and Health Programme. Similarly, the Council must make the most of its investment in public health interventions (such as drug and alcohol and mental health services) and other levers at its disposal (including housing) to ensure that employment is at the front and centre of wider health and social support services in Rotherham.
- **A productivity gap, predominantly due to low skills, with competitor Boroughs and regions** - Skills already account for the significant gap in productivity between Rotherham and the Sheffield City Region and the South East of England. Within Rotherham, 32% of people aged 16-64 have no qualifications or are qualified to below NVQ level 2 (Dec-15). Forecast employment patterns suggest that the move towards higher level skills requirements will only increase over the next ten years. The budget challenges include continuing to drive educational attainment in Rotherham schools so that young people are equipped with the skills in demand by the workforce of tomorrow and to maximise the benefit gained from the £880k Apprenticeship Levy contribution. This Government levy has been introduced with a target that 2.3% of the workforce (for organisations with more than 250 employees) should be apprentices. For the Council this would be around 125 apprentices in 2017/18.

- **Changing expectations and perceptions of public services** – Residents and communities are becoming more informed, and more assertive, demanding more flexibility and in some cases choice of provider. Expectations for public services now mirror features typically attributed to private sector services – delivery, timeliness, information, professionalism, and staff attitude, often on a 24/7 basis. The budget challenge is to respond to these changes through a faster paced transformation of the Council's corporate core, building the enabling functions to make the council more efficient and effective. But there must also be an increase in the active involvement of local residents and communities so that they are better able to help themselves and each other, through a strength and asset based approach to delivery of services such as adult social care and children's services.
- **Changing access routes and shift to different technology and media** – The speed of development of new forms of communication, information sharing and data processing enables people to work, learn, socialise and connect in different ways. However, public services are struggling in many cases to keep pace with different ways of choosing, accessing and using public services. The budget challenge is to drive the pace of change to digital by default, rationalising out-dated delivery models whilst ensuring accessibility for all.

2.4.8 The budget strategy for 2017-2020 also reflects the potential impact of the devolution deal, which includes a commitment from Government to provide an additional £30m per year for 30 years to the SCR, as well as wider funding and powers. Whilst the precise details are being worked through, it is anticipated that the devolution agreement will positively impact on the budget in terms of:

- Increasing funding in the drivers for growth, including skills, infrastructure, housing and transport, directly benefiting Rotherham residents, enabling Rotherham's regeneration resources and budget to go further.
- Stronger City Region working and collaboration, which, when taken on a case by case basis, will enable efficiency gains to be made where services are duplicated or where centres of excellence can be established.
- Increased (and retained) business rate income as a result of faster economic growth facilitated by better business support and infrastructure, such as ultra-fast broadband.

2.4.9 Whilst these upside opportunities as a result of the devolution agreement are unquantified at the moment, the Council will be working closely with the LEP and City Region colleagues to factor in the latest forecasts into the ongoing budget work. Similarly, work is already underway to identify further collaboration / shared services opportunities where it makes sense for Rotherham to do so.

2.4.10 The health and social care landscape is also evolving at a City Region level, with a greater focus on the integration of health and social care to improve outcomes and address the considerable system wide budget challenge. Within Rotherham, work is focused on locality working to ensure that the health and social care system is safe and sustainable, and addresses key budget challenges such as unplanned admissions to residential care and delayed discharge.

2.4.11 Investment and savings options: principles and priorities

The Council has developed a set of budget principles to guide decision making and ensure the budget and associated investment/savings options are focused, coherent and reflect the wider priorities of the Borough. These principles are outlined below, including the particular strategic priorities in developing options to address the funding gap, ensuring that Rotherham's public services are sustainable, affordable and fit for the future.

a) Keep residents, particularly vulnerable children and adults, safe from harm and enable more people to live independently for longer

2.4.12 The biggest areas of spend in the Council are adult and children's social care services. Significant investment is being made in the delivery of the Children's Improvement Plan and LAC numbers will only begin to decrease in the medium term as the impact of early help and more targeted earlier intervention takes effect. The demographic pressures highlighted above will continue to put pressure on adult care services. However unless demand for high cost care packages can be reduced, particularly reactive and unplanned spend, the Council will be unable to deliver the wider budget priorities. This requires increased collaboration across different areas of Council spend, including specialist housing, public health and the role of the voluntary and community sector. The strategic approach is therefore to:

- Strengthen early help and early intervention work with both children and adults to prevent complex problems escalating, collaborating with partner agencies in Rotherham to deliver support in a joined up, sequenced and integrated way;
- Collaborate with City Region and CCG commissioning partners to integrate health and social care work at a locality and local neighbourhood level, reducing unplanned admissions to residential care and strengthening step down care provision;
- Develop an asset and strength based approach to engaging and supporting residents and communities, working with children and families rather than doing things for them, providing high support and high challenge and empowering children and families to make positive decisions about their lives;
- Focus on identifying alternative delivery models for very high cost cohorts across learning disabilities, children and adults, ensuring best value is achieved from commissioned services and explore the latest commercial vehicles such as social investment and outcome based contracting;
- Ensure public health provision is integrated with the wider health, care and wellbeing priorities of the Council, including for example ensuring sufficient prioritisation and focus on employment as a meaningful outcome. The Council will also explore alternative investment and delivery models to ensure maximum value is gained from our contracted provision where this is in place;

- Increase the volume and quality of housing options for older people (reflecting the Rotherham Housing Strategy 2016-19 and the Older People Housing Delivery Plan), including building more new specialist homes in the right locations; increasing the use of assistive technology; pilot a 'health village' service offer within people's homes; and improve hospital discharge and step down accommodation from hospital;
- Increase the pace and scale of alternative delivery models such as telehealth and telecare, to enable more older people with long term conditions to live independently in their homes, joining up housing support and adult care services; and
- Manage (and regularly report on) key risks to the budget, particularly monitoring the transition from children's to adult services.

b) Drive inclusive growth and ensure Rotherham's residents are connected to local good quality job opportunities

2.4.13 The Rotherham Growth Plan 2015-2025 maps out a programme of investment in economic growth and infrastructure including transport, housing, the town centre, skills and business support. This will be delivered through a capital investment strategy which will prioritise investment in these drivers for growth, particularly critical infrastructure and housing, and a focus on strategic development projects / sites including the Advanced Manufacturing Innovation District; widening the network of Business Incubation Centres and driving the pace of the Town Centre Master Plan with the Forge Island development. This investment will facilitate increased income to the Council through the New Homes Bonus, Council Tax income and retained Business Rates. To make this happen, the strategic budget priorities are to:

- Strengthen the Corporate Enabling Services to provide more capacity and capability to lead the growth agenda in Rotherham, particularly the work required to influence and negotiate with SCR partners and investors;
- Continue to invest resources to work closely with the LEP and wider Sheffield City Region colleagues to influence strategic investments and commissioned programmes that best benefit Rotherham. This includes for example devolved responsibilities within employment and skills support to better connect residents to growth opportunities, particularly targeting people on long term sickness related benefits;
- Build homes of a high standard that meet the needs of Rotherham's growing population, accelerating delivery of three strategic housing areas at Waverley, Bassingthorpe Farm, and Dinnington East. This means shifting from delivering 600 homes a year to 900 homes;
- Work with SCR and LEP colleagues to ensure that Work and Health Programme provision directly benefits Rotherham's residents, and work closely in the design of devolved employability and skills programmes within SCR; and
- Make the most of the Council's expected £880k Levy commitment for Apprenticeships, ensuring the delivery of high quality Apprenticeship provision linked to the Council's priorities.

c) Protect Rotherham's green spaces and improve the quality of the public realm, ensuring our streets are clean and safe

2.4.14 Economic growth is not only about investing in bricks and mortar – the strategy is to promote Rotherham as good place to live and work, which means a vibrant cultural sector, good quality green spaces, clean and tidy streets and neighbourhoods that residents are proud to call home. The strategic budget priorities are therefore to:

- Ensure the effective delivery of the additional £10m investment in the quality of roads in Rotherham, removing pot holes and responding to resident feedback on high priority street scene improvements;
- Ensure that street, waste and environment services are delivered through the most effective and efficient delivery models. This includes reviewing the infrastructure and rationalising the estate (including depots) required to meet future population needs;
- Provide a high quality, comprehensive library service to Rotherham residents that shifts money from property to tangible resources that benefit users directly including books, technology, and research;
- Review waste management arrangements within Rotherham and at a city region level, to determine how wider operational savings can be made from joint working and collaboration. This includes opportunities to maximise income from commercial waste exit and opportunities to re-finance PFI at an appropriate time; and
- Review corporate transport and fleet arrangements to identify cost savings, income generation opportunities and methods of improving customer outcomes. This will include passenger transport arrangements; fleet; and staff travel.

d) Become a smaller, more efficient, more connected organisation, working as one Council with a stronger leadership and influencing role

2.4.15 Over the last six years the Council has experienced a significant fall in overall funding with a corresponding reduction in staffing, with good strides made towards greater efficiency savings. However, much more can be done to become a leaner, more efficient organisation – ensuring that precious resources are spent where they are needed most. This means stripping out unnecessary cost and duplication in buildings and services; developing the culture of the council away from departmental silos; changing the way the Council works to be more digitally enabled; investing in functions that will enable the Council to perform better at lower cost; and ensuring value for money from the considerable commissioned spend in Rotherham. To achieve this, the strategic approach to the budget is to:

- Complete a comprehensive, planned review of procurement within the Council to identify where, how and when better value can be created from the £219m of addressable spend (recognising both committed and uncommitted spend) across Social Care, Public Health, Capital Projects, Housing Improvement and General Revenue Funds;
- Deliver a robust organisational review that appraises enabling, professional and business support services, reviewing staff levels, structures and functions, developing an organisation blueprint that is fit for the future, delivers real term cost savings and builds upon the laying foundations report to continue to strengthen corporate governance and

oversight to address the issues identified within the Corporate Governance Review. This approach will start to develop options for the 'future council', the shape of the Council in the medium to long term to meet the changing context and landscape;

- Work with managers, staff and unions to develop a more flexible workforce, recognising the greater integration of services and the shift towards more generic competencies and skills across previous departmental silos such as family based working; asset and strength based approaches; and more commercially aware decision making.
- Centralise enabling functions and areas of spend to improve strategic fit and oversight of impact and value for money, including workforce development and communications;
- Identify and strip out unnecessary agency and consultancy spend, introducing more robust recruitment and approval mechanisms to ensure that where consultancy/agency staff are used it is business critical;
- Ensure the infrastructure and estate is fit for purpose for a smaller, leaner organisation and offers good value for money. This includes reviewing financing options for Riverside House and estate and property rationalisation, facilitated by digital access to Council services;
- Strengthen the enabling services, building capacity and capability to enable the council to lead and influence within Rotherham and the Sheffield City Region; drive the quality and performance of front line services; and build on the good work to improve governance and accountability. This will be funded by savings identified within the organisational review, re-directing spend from transactional to strategic resources including performance, commissioning, research and intelligence; and
- Continue the progress made towards 'digital by default', increasing the pace of transformation to enable more residents to access services online across multiple access points.

e) Adopt a more commercial, outward facing approach to doing business, generating income and leveraging the resources and assets of our partners in Rotherham

2.4.16 As the role of Rotherham MBC evolves, and the Council becomes a smaller, more focused organisation, so the way in which the Council collaborates with other public sector partners in Rotherham and Sheffield City Region must develop and change. The devolution agreement and opportunities to collaborate presents new opportunities to make savings *and* secure income. Similarly, the Council must better lever the assets, resources and capacity of the thriving voluntary and community sector that has weathered the storm of significant budget cuts across the public sector. There are clear opportunities to generate increased income to the Council by adopting a more commercial approach, ensuring the best possible deal for Rotherham's tax payers is achieved. The Council will look to capitalise on new and emerging alternative delivery models and funding vehicles to share risk and reward linked to long term economic and social outcomes. The strategic priorities for the budget are to:

- Continue to invest in building the capacity of the voluntary and community sector, streamlining funding, ensuring grant and application processes are proportionate, and prioritising investment in those areas that help to build community capacity, resources and assets;
- Ensure a commercial approach to housing and development that secures a good deal for the Council and enables the re-investment of surplus. Similarly, implementing the housing strategy will ensure the housing stock profile better meets demographic changes and alternative specialist housing options including extra care developments are accelerated to meet demand and reduce cost for high cost residential care placements;
- Build on the existing collaboration with other local authorities and public service partners in the SCR to increase the scope and level of collaboration where it makes sense to do so for Rotherham. This includes potential strategic projects linked to high cost social care services such as SCR-wide adoption services; different areas of Adult Social Care; and strategic planning and transport;
- Consider alternative delivery vehicles and funding models across the Council where there is a strong evidence base, exploring the role of social investment, outcome based contracting and risk/reward contracting models; and
- Undertake a comprehensive review of traded services and charged for services, developing options for more enterprising, commercially focused traded service models, including services delivered to schools; the level of subsidy and/or cost recovery from residents for particular services; and a Review of the Council Tax Reduction Scheme (CTRS).

2.4.17 Taken together, the above principles and priorities, whilst by no means an exhaustive list, give a strong sense of the proposed strategic direction of the budget and the associated investment/saving requirements to both deliver the Council's priorities and achieve a balanced budget, including addressing the £42m funding gap. The following sections describe the practicalities of the approach to generating the detailed options for Members to consider within this strategic framework.

2.4.18 Work is already underway to develop the detailed options for Members to consider and prioritise to address the funding gap beyond 2017/18. This is being done on a phased basis, recognising that some areas require significant, complex and detailed analysis whilst others are more straightforward quick wins. The phased approach is as follows:

2.4.19 The Council has developed a long list of potential investment and saving options reflecting the above principles and priorities. This includes both the 'big ticket' budget challenges and service level 'quicker wins'. The approach to developing this long list has been both top down, identifying strategic reviews that are cross council, and bottom up, from within directorates. The long list is continuing to develop as additional support is focused on addressing the budget challenge, with further lines of enquiry and potential options being added as the detail of the respective options is investigated. The big ticket areas of focus are summarised below:

Principle	Big ticket budget priorities (indicative)
a) Keep residents, particularly vulnerable children and adults, safe from harm and enable more people to live independently for longer	• Asset and strength based approach to the delivery of services, particularly adult social care, to balance ownership and responsibility between local government, residents and their neighbourhood / social networks. • Review of high cost care packages across Children's and Adult services, ensuring unit costs and delivery models present best value and contribute to the wider objectives of independence and resilience. • Deliver the Children's Improvement Plan, particularly early help and early intervention alongside good social work practice and low caseloads to safely and sustainably reduce the number of LAC. • Integrate health and social care provision with CCG commissioned services to reduce unplanned admissions particularly targeted at high risk cohorts – predominantly older people with long term conditions. • Leverage the public health budget to get best value from commissioned services and align spend to the wider priorities of the Council. • Ensure that our social care staffing models reflect best practice and the most efficient and effective way of organising ourselves to respond to the safeguarding needs of the population.
b) Drive inclusive growth and ensure Rotherham's residents are connected to local good quality job opportunities	• Strengthen the corporate core to facilitate an increased influencing role with public service partners and the Sheffield City Region. • Targeted use our capital investments and in particular housing budgets to support the pace of growth we need to generate more income. • Ensure that the Apprenticeship Levy works for the Council by investing in high quality apprenticeship provision aligned to business needs.

c) Protect Rotherham's green spaces and improve the quality of the public realm, ensuring our streets are clean and safe	• Undertake a comprehensive infrastructure and property review and rationalisation to ensure that more of the Council's budget is spent on front line rather than property costs. • Explore options for more efficient and effective delivery of waste, highways and leisure facilities. • Taking a place-based approach to reviewing provision across universal services such as Libraries, Service Centres and Leisure to ensure more money is spent on resources and less on property – improving the quality of resources and accessibility across the Borough. • Review transport and fleet arrangements within the Council and with service users, identifying more efficient and effective ways of supporting people with access and transport needs.
d) Become a smaller, more efficient, more connected organisation, working as one Council with a stronger leadership and influencing role	• Undertake a comprehensive review of procurement within the Council, identifying options for driving down cost and improving outcomes. • Undertake a Corporate Enabling Services organisational review to identify the most appropriate staffing and resource model for the Council's evolving needs, including identifying savings from support areas such as business support and investing in enabling functions such as Legal to support the Council deliver its priorities more effectively. • Strip out discretionary spend in areas such as agency staff and consultancy spend through more effective governance and controls. • Increase the pace of digital transformation within the Council, including resident/customer access.
e) Adopt a more commercial, outward facing approach to doing business, generating income and leveraging the resources and assets of our partners in Rotherham	• Continue to engage with and support the voluntary and community sector and ensure funding is streamlined and aligned to our organisational priorities, building on the community assets / strength based approach detailed with a) above. • Undertake a comprehensive review of traded / subsidised services, developing options to increase income where it is right to do so. • Drive the pace of shared services with other Councils (and other public service partners where appropriate) where it benefits Rotherham. • Explore alternative investment models such as social finance to ensure Rotherham's resources go further and we capture the very best insight and innovation to benefit Rotherham residents.

2.4.20 Work is progressing to develop the detail for each option, some of the options will take time to develop and implement and feed into budget proposals for 2018/19 and 2019/20.

2.4.21 Scoping and analysis is already underway to support the development of coherent options for a number of the big ticket themes, prioritising the complex, high cost (but potentially high benefits) areas which will make a material difference to the £42m estimated funding gap for 2018/19 and 2019/20. External support has been commissioned to provide granular analysis and expert insight where required because of the level of complexity and potential savings on offer. This includes for example:

- Procurement review
- Organisational review
- Traded services review

2.4.22 The reviews are being phased recognising the level of internal and external resources required to undertake each project effectively. Additional lines of enquiry are also being explored where more radical options to address the funding gap may be generated.

2.4.23 Recognising the level of complexity, risk and importance in delivering options that address the funding gap, governance and programme management arrangements are being strengthened at a corporate and directorate level. The proposed 2017/18 budget includes £400k for the next three years to fund the necessary resources to ensure strong internal programme management and the necessary pace to secure substantial savings options for consideration as part of the 2018/19 budget. The high level principles of the proposed approach are as follows:

- Develop the series of reviews and options into a coherent and structured programme, with clarity of accountability, full visibility, and appropriate reporting and management arrangements in place;
- Develop each option (at an appropriate level) into strategic business cases which provide sufficient information for Members to qualify them on an informed basis;
- Once qualified, strategic business cases will be developed into full business cases to provide cost/benefit certainty on a phased basis;
- Ensure that there is a full view of business cases to avoid double counting of benefits on a cross-Council basis;
- Ensure that the workforce implications of business cases are clear and factored early into the planning process (e.g. the treatment of in-year savings reflect the consultation process required);
- Ensure that there is a centrally driven, standard way of delivering business cases – ensuring quality and benefits realisation;
- Ensure each directorate is supported to develop and then deliver the business case;
- Re-shape corporate and directorate governance to oversee both the development of options and business cases and also the delivery of benefits/savings;
- Monitor benefits/savings realisation, track progress against deliverables and report on risks; and

- Strengthen the resources within the corporate core to lead the budget process and provide resources at the right level to deliver good quality business cases.

2.4.24 As Business Cases are developed it is proposed that they will be brought forward for Member consideration during 2017/18 to maximise the potential of delivering savings at the earliest opportunity. These will include Equalities Assessments and consultation requirements.

2.5 Fees and Charges

2.5.1 Schedules of Fees and Charges on which the 2017/18 Budget are based are shown in Appendix 2. The Regeneration and Environment service fees and charges are not included and will be considered in a separate report to Cabinet in March.

2.5.2 Some specific increases to charges fees and charges were consulted on as part of the 2017/18 Budget consultation including:

- F&CS 2A – Increase in summons costs for Council Tax and Business Rates from £48 to £54.
- R&E 26 – Increase charges for Pest Control services
- R&E 8A – increase room hire charges at Clifton Park Museum
- R&E 11A – Increase Business Centre charges
- R&E 13 – Increase Local Land Charge (Search) fees

3. Key Issues

This section of the report incorporates the following financial matters related to the Budget and Financial Strategy for 2017/18 and the medium term, which need to be considered by Council.

- 3.1 Budget Proposals 2017/18 to 2019/20.
- 3.2 Future Challenges for Services and the Impact of Spending Reductions and Savings Plans.
- 3.3 Council Tax Proposals for 2017/18.
- 3.4 Financing the proposed 2017/18 Revenue Budget.
- 3.5 Reserves and Balances within the Council's Budget Strategy.
- 3.6 Medium Term Financial Plan 2017/18 – 2019/20.
- 3.7 Capital Strategy / Capital Programme Update.
- 3.8 Treasury Management Matters.
- 3.9 Report of the Strategic Director of Finance and Customer Services (the Council's Responsible Financial Officer).

3.1 Budget Proposals 2017/18 to 2019/20

3.1.1 The proposed 2017/18 Budget includes the £11.005m 2017/18 investment approved by Council on 7th December 2016 in the MTFs Update report. This is shown in summary in Table 4 below:

Table 4 – 2017/18 Approved Investments – Council 7th December 2016

Investment	£m
Children & Young People – Pressures and increased demand	8.346
Children & Young People – Investments (net) to deliver future years savings	1.331
Adult Care – Investments to deliver future years savings and support for delivering the Adult Social Care Development Programme	0.481
Corporate Services – Investment – largely to support Operational Directorates (predominantly Legal services)	0.847
TOTAL	11.005

3.1.2 The proposed 2017/18 Budget also includes funding for the following:

- Funding to enable the reinstatement of the Joseph Rowntree Foundation Living Wage rate for the Council's own staff from 1st April 2017 (£510k).
- Funding to partially mitigate the impact of Welfare Reform on Rotherham's most vulnerable residents, through the provision of a budget for food parcels and crisis loans (£100k).
- Funding for the Government's Apprenticeship Levy, payable from 1st April 2017 (£880k).
- Funding for Children's Services to maintain levels of Social Work provision whilst staff undertake training and development (£489k).
- Funding for the Adults Safeguarding Board (£20k).
- Funding to provide resources to support the delivery of savings in the 2017/18 Budget and to assist the development and delivery of the further £42m savings that are required over the next two financial years (£1.2m).

Savings

3.1.3 The Council consulted with the public, staff and partners on budget savings proposals of £11.230m. The proposed budget for 2017/18 includes implementation of £11.036m of these. In addition a further saving of £60k has been identified for 2017/18 which relates to the opportunity to generate £60k additional income from the Rotherham Show in relation to the renting of 'pitches'. This increases the Directorate savings to £11,095.6m. The summary of the proposals by Directorate is set out in Table 5 below. More detailed information is available at Appendix 1.

Table 5 – Summary Directorate Budget Savings Proposals 2017/18 – 2019/20

Directorate	2017/18	2018/19	2019/20
	£'000	£'000	£'000
Assistant Chief Executive	52.0	40.0	0.0
Finance & Customer Services	667.0	-60.0	0.0
Adult Care & Housing	4,332.0	0.0	0.0
Public Health	679.5	179.5	0.0
Children & Young People's Service	2,159.0	591.0	0.0
Regeneration & Environment	3,206.4	904.0	-500.0
TOTAL	11,095.9	1,654.5	-500.0

3.1.4 Details of the budget savings consulted on but which are not incorporated in the proposed 2017/18 budget are shown in section 5.2 of this report.

3.1.5 The following factors have also enabled the Council to prepare a balanced budget for 2017/18:

- Corporate Savings - largely from the review of Capital Financing, Pensions and Contingencies budgets (£5.913m).
- Changes to Council Tax, Adult Social Care precept and the Council Tax base (£2.052m).
- Provisional Settlement Announcement / Funding changes (£2.583m).
- Use of Reserves (£5.295m).

Budget realignments

3.1.6 Over the last year a great deal of work has been undertaken to review the current budget detail and ensure it is robust and that previously agreed savings along with detailed budget allocations are sustainable and reliable. Therefore the proposed budget for 2017/18 includes budget realignments in respect of budget savings agreed in prior budget rounds for 2017/18 and 2018/19 in respect of assumptions around the downsizing of the Council and therefore a reduced requirement for support services. There are a number of reviews currently taking place or about to commence and the findings from these reviews and any associated savings proposals will be brought back for Member consideration.

3.1.7 The Budget also includes further minor realignments to address largely technical matters. e.g. Reduced levels of HRA funding contributions, reductions to Directorate income budgets associated with the charge out for printing – lower printing volumes due to reduced staffing levels and the remaining staff printing less, etc.

Amendment to Library Strategy Budget Proposal

3.1.8 On 12th September Members approved, following consultation, the 'Library Strategy and Future Library & Customer Service Offer'. Since the approval of this report the service has been made aware of two factors which impact on the **method** of delivery of the savings:

- a) Previously the Corporate Transport Unit advised that the requirement for a multi-purpose vehicle will in all probability necessitate the acquisition and modification of a larger vehicle than either of the two models currently used - for Book Link and the internal delivery service. A larger vehicle results in a more expensive lease than a smaller vehicle. Even allowing for the fact that the service would be operating with a reduced fleet, the annual lease on the larger vehicle is likely to match or exceed the combined cost of the existing leases. Consequently there would be little or no monetary saving possible from this source and it would be difficult to meet the £12k approved savings requirement.
 - b) A larger vehicle would result in an increase to the fully laden weight compared to the vans currently used. This would in turn place restrictions on who was able to drive. Current legislation enables anyone in possession of a current standard car driving licence (category B) to drive a van up to 3,500kgs. This is the fully laden weight of the current Book Link van and the internal delivery van. If someone is expected to drive a vehicle between 3,500kgs and 7,500kgs they will only be able to do so if they possess a standard car driving licence (category B) and have passed the test before 1st January 1997. Anyone who has passed the test after this date and who is expected to drive a vehicle weighing between 3,500kgs and 7,500kgs will have to take a separate test with cost implications for the authority. There is also the risk that very few staff would be eligible to drive without passing the additional driving test.
- 3.1.9 It is therefore proposed that the method of achieving the savings approved by Members in September is amended. This will not adversely affect customers and can be accommodated within the overall approved reduction to budget. The proposed revised recommendations are:
- 1. To continue to operate the existing delivery van as the leasing arrangement has a few more years left to run.
 - 2. The current Book Link van came to the end of its leasing period in August, 2016 and the lease is currently renewed on a monthly rolling contract. The leasing company will not allow the Council to continue this arrangement indefinitely. The proposal is therefore to acquire a replacement vehicle for Book Link on a like-for-like basis. The fully laden weight would be 3,500kgs.
 - 3. The annual leasing cost will be similar to the current charge for Book Link and there will be no adverse implications for driver eligibility.
 - 4. The introduction of a new timetable for Book Link and the delivery van will allow the service to build in greater flexibility to vehicle deployment. This may, in future, enable the development of additional vehicle based public services.

3.2 Future Challenges for Services and the Impact of Spending Reductions and Savings Plans

Impact of the proposed 2017/18 Revenue Budget

3.2.1 The Budget outlined above will:

- provide additional funding to both protect vital services for those most in need in our community, but also recognises the overwhelming need to provide further investment in Children's Services including targeted early preventative work with vulnerable young people;
- progress the ongoing transformation of the Council's Adult Social Care Services to provide better services enabling more vulnerable adults to live independently, safely and improve their quality of life;
- enable the Council to continue to positively take forward and address the findings in the Professor Jay, Ofsted and Louise Casey reports to help the Council become 'fit for purpose' at the earliest opportunity;
- focus on corporate and service transformation, ensuring services continue to be equipped to deliver a high standard of service for the citizens, businesses and stakeholders of the Borough that is fully aligned to the Borough's new Community Strategy and the Council's Corporate Plan priorities; and
- Continue to reduce management, administration and support costs as far as is sensible to do so.

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

Children and Young People's Services (CYPS)

3.2.3 CYPS has statutory responsibilities for the safeguarding of children and young people. The Directorate is focused on supporting children and young people; parents and carers, who have to rely more than most on targeted and specialist services to make changes and prepare young people for adulthood, which will see them become more independent.

3.2.4 Ensuring that children and young people can thrive, reach their potential and go on to lead successful adult lives is at the heart of what the service does. It is recognised that every family needs help sometimes and that by delivering services in a way that helps them to be stronger, they can be more resilient and go on to help themselves. When families do need help, identifying the needs and providing appropriate support at the earliest point is critical to them achieving the best outcomes but also simultaneously building sustainable Children's Services.

- 3.2.5 The future model for CYPS is based on the principles of prevention and intervening earlier to support families, to avoid their needs from escalating; when statutory intervention is required it is based on best social care practice which should lead to a higher quality and lower cost model over the longer term. Good social care practice has been proven to deliver better outcomes for children at a lower cost. Reducing resources means that the Directorate will need to build on existing partnerships and develop new working arrangements with our communities, families, and third sector organisations to deliver better outcomes.
- 3.2.6 Critical to Rotherham's ambition to be a child-centred borough, children and young people represent one of the most important investments that can be made to secure a vibrant, healthy and productive long term future for Rotherham people.
- 3.2.7 CYPS continue to face significant and sustained cost pressures driven by rising demand for services and the outlook remains challenging. The drive to improve professional social work practice is ongoing and 2016/17 has seen some significant achievements regarding permanent recruitment to social care posts. The number of vacant posts has fallen below 10%, from 18% which has led to a reduction in the reliance on agency staff. However, the realities of the local and national picture remain and the budget needs to reflect the reliance that all local authorities have on a minority of agency staff. The number of looked after children in Rotherham has risen by 14.5% from April to December 2016 which has exaggerated the gap between the placement budget and estimated placement costs.
- 3.2.8 The CYPS Sustainability Strategy was presented to Cabinet on 14th November 2016, and ratified at full Council on 7th December. It seeks to address the budget gap over a five year period to 2020/21 through a mixture of immediate funding support and investment linked to medium and longer term sustainable savings. The budget proposals for CYPS will start to deliver savings in 2017/18 and, over the medium term, will reduce expenditure whilst continuing to protect the most vulnerable in society. The proposals seek to address the growing numbers of Looked after Children and change the proportion of placement settings in favour of in-house foster care which is widely acknowledged as providing the best outcomes for children in care and is the most cost effective setting from a budgetary point of view. If the budget proposals have the desired effect then over the next four years the growth in placement numbers will initially plateau and then start to slowly reduce from the end of 2017/18.

Public Health

- 3.2.9 The Local Authority statutory duties for Public Health services are mainly outlined in the Health and Social Care Act 2012. These include the duty to improve Public Health through several mandated and non-mandated functions.

3.2.10 The value of the Public Health grant for 2018/19 is £16.734m a reduction of £423k or 2.5%. The grant will remain ring-fenced for the delivery of public health functions for all ages. The Government have indicated that the grant will continue to be reduced by 2.6% for a further two years to 2019/20.

3.2.11 Life expectancy in Rotherham is almost 2 years below the English average, reflecting a range of health inequalities. Also, health inequalities within the borough are demonstrated by a 9 year gap in life expectancy for men and a 7 year gap for women, between the most deprived areas and the least deprived.

3.2.12 Savings proposals have been identified affecting a range of non-mandated functions funded by Public Health for 2017/18. The emphasis has been on reviewing the need for existing levels of funding and identifying any activity which can cease or be commissioned differently.

Adult Social Care

3.2.13 The Adult Care Development Programme is the overarching strategy to transform Adult Care. The aim of the programme is to embed Care Act 2014 principles and to build upon them in terms of a focus on strengths based assessments, investing in prevention and early intervention and maximising community assets. In order to achieve these aims, there is a need to review and develop existing services, both directly delivered and externally commissioned.

3.2.14 Nationally, the provision of social care for adults has undergone enormous change over the past generation. The pace of change has accelerated over the past few years as the demand for more personalised services continues to grow, traditional models of care are seen to be outdated and not delivering independence, choice and control and pressure on the system grows from more demand and less resources. These changes have now been reinforced with the introduction of the Care Act.

3.2.15 The Council's ambition is that adults with disabilities and older people and their carers in Rotherham are supported to be independent and resilient so that they can live good quality lives and enjoy good health and wellbeing. This vision also supports the Council's financial challenge, in terms of mitigating rising demand for statutory services within the context of reducing budgets.

3.2.16 The strategy which will enable these outcomes to be delivered contains key elements and these define the Adult Care Development Programme. The Council must:

- ensure that information, advice and guidance is readily available (e.g. by increasing self-assessment) and there are a wide range of community assets which are accessible,
- invest in services that embed prevention and early intervention. These reduce and delay entry into more expensive statutory services,
- focus on maintaining independence through re-ablement and rehabilitation,
- improve our approach to personalised services – always putting users and carers at the centre of everything we do,

- develop integrated services with partners and where feasible single points of access,
- ensure we “make safeguarding personal”,
- commission services effectively working in partnership and co-producing with users and carers,
- use our resources effectively.

3.2.17 There are a number of key external drivers which impact upon the transformation both in terms of cost and capacity:

- National increases in the cost per hour of home care, driven by incremental increases in the national minimum wage,
- Demand for social care is increasing nationally, due to demographics,
- People needs are becoming more complex across all cohorts for example dementia prevalence rates are rising,
- Deprivation of Liberty Safeguards,
- The current provider market availability is restricted and there is a need for growth in a range of sectors.

3.2.18 Working with partners through the Adult Care Improvement Board to identify joined up ways of working to reduce duplication, improve efficiency and provide a better experience for the customer. The Rotherham Place plan has been effective in bringing partners together to look at what are the key priorities for our communities. Developing a prevention framework to start to engage early with people, and providing good information and signposting, will be key to managing future demand and to reduce the reliance on care services.

3.2.19 Adult Social Care through the delivery of the Development Programme will demonstrate improvements in value for money and contribute to the overall financial pressures facing the Council. The Council recognises the increasing cost pressures in terms of more complex needs and demographics and is therefore looking to provide further investment funded by the proposal to take up the 3% Adult Social Care Precept and use of the non-recurrent Adult Social Care Grant allocation in 2017/18.

Housing - General Fund

3.2.20 The Housing General Fund budget supports the Area Assemblies, Community Engagement, Homelessness and advice services, income from the Furnished Homes scheme and Strategic Housing and Investment team.

Housing Revenue Account (HRA)

3.2.21 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 dwelling and associated assets.

3.2.22 Changes to the Government’s policy on social housing rents resulted in the requirement to reduce dwelling rents by 1% over four years from April 2016. To comply with the legislation rents will be reduced by 1% for a second year from April 2017.

3.2.23 To support the Housing Capital Programme there will need to be a planned transfer from HRA Reserves of £1.159m in 2017/18 in order to support capital investment in existing stock including strategic acquisitions, in line with the HRA Business Plan.

3.2.24 The Council have been chosen as one of the first wave of local authority partnerships to receive funding under the new Starter Homes Land Fund, to build new starter homes for first time buyers, to support the wider growth and regeneration of local areas including town centre sites and to help young first time buyers on the housing ladder.

3.2.25 Rotherham has also been awarded £6.1m under the governments Shared Ownership and Affordable Homes Programme for new homes across the borough including a mix of shared ownership and rent to buy properties.

Regeneration and Environment

3.2.26 The Directorate has identified 4 key themes as a focus for the next three years. These key themes are linked to the need to plan future service provision and expenditure within a climate of ongoing budget cuts from Government but also to look to explore key opportunities to substitute budget reductions with income generation through a more commercial approach to conducting business.

These key themes are:

- Growth
- Modernisation - running a modern and efficient council
- Being more commercial
- Engaging and empowering communities

Promoting Growth

3.2.27 If Rotherham is successful in encouraging regeneration investment, business growth and development and housing development this will contribute to the future financial sustainability of the Council through increased employment and wealth creation for residents, increased income in the form of business rates and increased Council Tax and New Homes Bonus. Rotherham has ambitious targets in the Local Plan for new housing, with a need for 958 new homes a year. It also has a jobs target of 1,000 a year and 750 net new businesses over the next 5 years. This correlates to the growth ambitions set out in the Sheffield City Region (SCR) Strategic Economic Plan and more locally with the Council's Growth Plan. The Council also has a major role to play in helping drive this growth and enterprise, both as a facilitator and also in terms of a potential deliverer, as a major land and property owner. The Council will look to maximise the opportunities created by connecting residents and businesses with skills and employment opportunities and supporting the inward investment in housing and in transportation and highways infrastructure.

3.2.28 Modernisation – Running a Modern and Efficient Council

Modernisation covers a wide range of options including the use of ICT and other technology solutions, exploring different delivery models such as shared services and partnering, private sector delivery, exploring the use of the community and voluntary sector to deliver services through the use of community asset transfer and better use of the Council's assets i.e. buildings and land to increase yields or divest itself of liabilities.

3.2.29 Being more Commercial

There are many areas of opportunity for the Council to adopt a more commercial approach to service delivery. Rotherham has opportunities it can capitalise on as the owner of strategic assets, a skilled workforce and services which could easily be 'traded' to a wider market.

3.2.30 It is essential that in the coming months and years, non-statutory services that are at risk of further cutbacks, or indeed complete cessation, explore sustainable funding solutions linked to increased income generation activity or indeed full commercialisation.

3.2.31 Engaging and Empowering Communities

This approach links in very closely with the Council's desire to promote locality delivery of services and functions and relates not only to improved service delivery but also to rationalisation of assets, joint service commissioning as well as community asset transfer and co-production and delivery within the community and voluntary sector.

Corporate Support Services – Finance and Customer Services and Assistant Chief Executive

3.2.32 The Corporate Services support the delivery of key Council services, adding value by promoting the most effective use of resources, ensuring compliance with both Council regulations and national legislation and providing advice, assistance and a cross-cutting perspective.

Finance & Customer Services

This directorate provides the following services:

- Finance/Accountancy
- Revenues and Benefits
- Corporate Procurement Services
- Internal Audit
- Insurance
- Legal Services
- Customer, Information & Digital Services (CIDS)

- 3.2.33 It is recognised that, to continue to support the Council, Finance and Customer Services needs to be strong and appropriately resourced and skilled, but also that future service provision and expenditure needs to be planned within the context of ongoing reductions in Government funding and significant changes to the funding of local government.
- 3.2.34 The Directorate is committed to continuing to provide outstanding, high quality professional and support services that are valued by all our customers, both internal and external, by further developing the skills of our staff to meet the current challenges of local government. The Directorate is eager to take advantage of the opportunities provided by the Review of Corporate Services that is currently underway, to modernise and develop services further and to learn from best practice.
- 3.2.35 New ways of working will be explored, service provision, staffing level and resources will be benchmarked and best practice promoted to ensure that the Directorate (and the Council) are focussed on the Council's key objectives and priorities and that the Directorate continues to develop and refine its service offer.

Assistant Chief Executive Directorate

- 3.2.36 Assistant Chief Executive's is a new directorate formed as a direct result of Phase 1 of the Improvement Plan. The directorate has 5 distinct areas:
- Human Resources
 - Communications
 - Democratic Services
 - Policy & Partnerships
 - Performance & Risk
- 3.2.37 The key areas of work in 2016 have included development of a new Council Corporate Plan, development of a Performance Management Framework, development and embedding of a Strategic Risk Register and the approach to risk strengthening the Scrutiny function, launch of workforce values and behaviours framework, supporting the Rotherham Together Partnership, development of a new workforce strategy, support to all the council's senior officer recruitment and draft of a Rotherham Compact.
- 3.2.38 It has been recognised through a number of peer reviews that there needs to be a strengthening of both the Council's corporate governance arrangements and the level of resource in some of the corporate functions. An external review has already identified that the level of HR resource is significantly smaller compared to similar size councils. Similarly, an LGA external review has identified that the council needs to establish and resource a corporate performance function if it is to embed a council wide performance framework.

3.2.39 The functions provided by the directorate support the delivery of key Council services and whilst good progress has been made in establishing corporate governance arrangements the ongoing challenges include embedding those arrangements and ensuring that the Council's key corporate functions are proactively working across the organisation and enabling services to deliver within the principles of best value and support other directorates to meet the future challenges.

3.3 **Council Tax Proposals for 2017/18**

3.3.1 The Council is proposing to increase its own Council Tax (ie excluding Parish, Fire and Police precepts) by a total of 4.99%. This consists of two elements:

- a) A 1.99% increase in respect of contributing towards the Council's overall budget position; and
- b) A further 3% increase specifically in respect of a precept for Adult Social Care services (following a Government announcement allowing Authorities with Adult Social Care responsibilities to generate an extra 3% income by applying this precept).

3.3.2 The 3% Adult Social Care precept will generate an additional £2.719m income to support the Adult Social Care budget.

3.3.3 The 3% Adult Social Care precept will be utilised to fund most of the additional investment in Adult Social Care services as shown in Table 6 below:

Table 6 – Use of Adult Social Care Precept 2017/18

Use of Adult Social Care Precept	£'000
Meeting the cost pressure of children who reach adulthood (Transitions)	1,087
Increased cost of Adult Social Care contracts with care providers linked to the National Living Wage	750
Pay Award – estimated at 1%, and changes to Social Worker terms and conditions of employment	497
Deprivation of Liberty Safeguards (DOLS)	100
Contract Inflation	637
Adults Safeguarding Board	20
Non contractual inflation	12
TOTAL	3,103

3.3.4 A 4.99% increase on the tax levied in 2016/17 would mean a **Band D Council Tax (for the Council only) of £1,394.48** and would mean a Band A Tax of £929.65, a Band B Tax of £1,084.60 and a Band C Tax of £1,239.55 per year. **86.3% of properties in Rotherham are classed as Band A (54.0%), Band B (19.3%) or Band C (13.0%).**

- 3.3.5 The planned level of Council Tax also takes account of a planned use of £3m (net) surplus on the Council's Collection Fund (Council Tax and Business Rates) as at 31 March 2017. This is a direct result of the Council continuing to achieve its excellent record in collecting Council Tax by achieving a higher rate of collection than the 97% expected when setting the previous years' tax levels and minimising its cumulative arrears, (which currently equate to £68 per property, which is one of the lowest levels for a Metropolitan Council).
- 3.3.6 The proposed increase in Council Tax is not recommended lightly. The alternative was to further reduce valued, frontline services at a time when demand for these services by vulnerable children and adults is increasing and the Council, alongside the Sheffield City Region, are proactively looking to stimulate the economy to bring about jobs and prosperity in the borough and city region which will bring about an increase in the future resources available to the Council.
- 3.3.7 As required by legislation (the Local Government Finance Act 1992), and as in previous years, a formal report will be brought to Council on March 8th setting out details of the proposed Council Tax calculations for the Council, parished areas and including the precepts from the South Yorkshire Police and South Yorkshire Fire and Rescue Authorities - it is currently expected that the Police Authority will increase its precept by £5 per annum (for a Band D equivalent property) and a proposed increase for the Fire and Rescue Authority of 1.97%.
- 3.3.8 The Council meeting on 25th January 2017 approved Rotherham's Council Tax Base for 2017/18 of **68,235.14 Band D Equivalent properties** after adjusting for expected losses on collection, the impact of the Council's Council Tax Reduction Scheme and discretionary discounts and exemptions for empty properties and second homes.
- 3.3.9 Based on the number of properties in the Tax Base and the proposed increase in Council Tax by 4.99%, this will generate a total Council Tax of **£95.152m** available to support the Council to fund services in 2017/18.

3.4 Financing the Proposed 2017/18 Revenue Budget

- 3.4.1 The table below shows the total available (non-ringfenced) resources to support the proposed revenue budget of £204.826m for 2017/18:

Table 7 – Funding the 2017/18 Revenue Budget

	£'000
Settlement Funding Assessment	88,897
New Homes Bonus (including top-slice refund)	5,218
Business Rates: Section 31 Grants, Renewable Energy and Enterprise Zones	2,095
Proposed use of Reserves	10,464
Use of Collection Fund Balance	3,000
Council Tax	95,152
Funding Total	204,826

Proposed Directorate Budgets 2017/18

- 3.4.2 Set out below in Table 8 is the proposed Net Revenue Budget for 2017/18 including the Directorate Cash Limit Budgets utilising the funding resources set out in Table 7 above, and assuming implementation of the proposed budget savings included within this report and detailed at Appendix 1:

Table 8 – Directorate Budgets 2017/18

Directorate	Proposed Budget 2017/18
	£'000
Adult Care & Housing	61,894
Children & Young People's Service	62,164
Regeneration & Environment Services	43,387
Finance, Customer Services	13,541
Assistant Chief Executive	5,367
Central Services	18,473
TOTAL NET REVENUE BUDGET	204,826
<i>Public Health (Specific Grant)- Includes £16.734m 2017/18 grant plus £396k use of Public Health grant reserve.</i>	17,130

- 3.4.3 The proposed Central Services budget (£18.473m) shown in the table above includes the following key budgets:
- Levies - Integrated Transport Authority, Coroners, Apprenticeship Levy, etc. (£12.8m)
 - Former South Yorkshire County Council Debt (£2.1m)
 - Capital Financing and PFI adjustments (£2.6m net)
 - Voluntary severance budget (£700k)

It also includes the following 'unallocated' investments and savings which will be allocated to the appropriate services once it is known where they will impact:

- Budget to fund the equivalent of a 1% pay award. This will be allocated to budgets later in the year once pay negotiations have been finalised (£1m);
- Joseph Rowntree Foundation Living Wage (£0.5m)
- Budget saving to be delivered from the renegotiation of staff terms and conditions of employment (-£2m).

3.5 Reserves and Balances within the Council's Budget Strategy

- 3.5.1 A review of the Council's reserves has been carried out and consideration given to the use of £5.295m to support the 2017/18 Budget providing time for further action to be taken to deliver the substantial further savings required over the two financial years 2018/19 to 2019/2020.

- 3.5.2 The purpose and need for the reserves currently held, the previous planned use and a risk assessment of each reserve has enabled a changed use to be proposed alongside the use of £8.456m to fund the additional investment (mainly into Children's safeguarding services) made during the current financial year and approved by Full Council in December 2016.
- 3.5.3 Within the proposed Budget is also the planned replenishment of these reserves over the medium term in order to secure the Council's ongoing financial stability and to provide the capacity for future budget planning choices or investment decisions.
- 3.5.4 The Council's reserves at 1st April 2016 were £99.673m and are listed in Appendix 7. These reserves are set aside for specific purposes and were planned for current and future use within previous budget decisions and in the medium term financial planning assumptions.
- 3.5.5 Whilst the majority of these reserves are either ring-fenced and subject to conditions of use or are earmarked for specific use determined previously by the Council, the approach taken in this budget is to replenish them in future years and hence maintain the value over the medium term or to fund within the base budget the costs that would have been funded from the reserves. In essence the strategy is to use some reserves earlier than was previously planned and to replenish them later.
- 3.5.6 It is proposed that all reserves currently committed to supporting the 2017/18 budget remain as per previous plans. However, there is a planned use of reserves in 2018/19 totalling £1.674m covering a variety of items. It is proposed that this value of reserve be utilised to contribute to funding the 2016/17 outturn and that the relevant budgets in 2018/19 be increased to take account of the removal of reserve funding.
- 3.5.7 It is further proposed to utilise for the 2016/17 outturn, £4.936m currently uncommitted in the Transformation Reserve which was always intended to fund improvements within the Council, along with a currently uncommitted value of grant totalling £1.163m. The remaining £0.683m for the 2016/17 outturn will be funded from using part of a reserve previously allocated for supporting the 2019/20 budget.
- 3.5.8 The funding for the 2017/18 reserves use beyond those previously included in budget plans (£5.169m) will consist of £2.087 of future planned reserve funding that would have supported the 2019/20 budget and (expected to be in the region of £3.208m) from the Pensions Deficit Reserve given the positive outcome from recent negotiations with the pension fund actuaries in relation to future payments to the pension fund.
- 3.5.9 The proposed budget includes £3m per annum from 2018/19 to replenish the reserves that are being used to support the 2016/17 and 2017/18 budgets.

3.5.10 The above proposals are the basis used for the formulation of the proposed budget and revised medium term financial strategy but the final determination will be formally approved when the outturn for the current financial year is known and reported. All future planned use of reserve will be subject to further future consideration as part of budget planning in future years.

3.6 Medium Term Financial Strategy 2017/18 – 2019/20

3.6.1 The Medium Term Financial Strategy and the Capital Strategy will be updated to reflect this Budget Report and the figures and details announced in the Final Local Government Settlement when it is received. This will include annual funding forecasts up to 2019/20 and will reflect any economic and legislative changes (for example – the outcome of key Business Rates Appeals) and will contain adjustments for other factors impacting the Council's budget. The MTFS update will be brought to Cabinet in 2017/18 following the closure of the 2016/17 accounts.

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

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

3.6.4 This report proposes a balanced budget for 2017/18. However more work is to be done to address the estimated £42m funding gap in the MTFS in the next two financial years. The summary MTFS position is shown in Table 9 below.

Table 9 – MTFS Estimated Funding Gap 2017/18 – 2019/20

	2017/18	2018/19	2019/20
	£m	£m	£m
Cumulative Funding Gap (7th December Council)	24.130	31.984	50.847
Savings & Adjustments	-24.130	-13.212	-9.338
Revised Cumulative Funding Gap	0	18.772	41.509
Annual Funding Gap	0	18.772	22.737

3.7 Capital Strategy / Capital Programme Update

- 3.7.1 The Capital Strategy and proposed Capital Programme 2017-2022, which sets out the Council's future capital investment plans, will ensure that investment decisions are clearly aligned with the Council's strategic priorities and vision for Rotherham.
- 3.7.2 The Council's Capital Strategy and Capital Programme (2016-2021) was approved by Council on the 2nd March 2016. Minute 146 below:
Resolved:- That the new Capital Strategy, as presented in Appendix A and Capital Programme, as presented in Appendix B (for £279.095m in the period 2016/17 to 2020/21), which will require prudential borrowing of £53.602m to fund non-HRA schemes over the five year period, for which provision has been made in the revenue budget for the associated financing costs, be approved.
- 3.7.3 Further updates to the Capital Programme were approved by the Cabinet/Commissioners Decision Making Meeting of the 11th April 2016 in relation to the Housing Investment Programme 2016/17 and the CYPS Capital Programme 2016-2018 and in addition, Cabinet/Commissioners Decision Making Meeting of the 11th July 2016 approved carry forwards totalling £4.363m from 2015/16 into the 2016/17 Capital Programme.
- 3.7.4 The challenge for the future is to drive transformation, to help define Rotherham as an attractive place to live, further improve the quality of life for all residents, increase their overall social and economic prospects and enable them to participate fully in the life of the Town. Important to the delivery of these aspirations for the Town will be:
- To support, promote and drive the role and continuing growth of the town centre and Borough as a city region driver, as a focus for employment growth, through a strengthening and diversification of its economic base. This will be complemented through the ongoing development of the Advanced Manufacturing Park and the establishment of an Advanced Manufacturing Innovation District.
 - To support investment in highways infrastructure, which will help connect people to jobs, education, shopping, recreation and services.
 - Realising the ambition to improve the Town Centre offer, making it an attractive place for people to live, work, shop and enjoy their leisure time.
 - The delivery of housing, both to improve existing Council housing and to facilitate the provision of new housing in the Borough, through major developments such as Waverley and Bassingthorpe Farm, in order to meet regional housing demand.
 - To ensure Council-owned buildings such as office spaces, schools, markets, libraries and museums are adequately maintained, to ensure services can continue to be delivered to the public.
 - To maintain the operational functionality of the Council's ICT infrastructure, including lap-tops, telephony, servers and network equipment as well as modernising how the Council works.
 - To drive organisational efficiency and service transformation through the use of capital funding on an invest to save basis.

- 3.7.5 The Capital Strategy and the detailed Capital Programme stems from the priorities outlined above and sets out the process by which the Council will allocate its finite capital resources, to maximise their contribution to the delivery of the Council's Vision and priorities. Together, both the Strategy and the detailed Programme have been informed by Directorate Asset Management Plans, and other key Council strategies such as the Growth Plan, the Transport Strategy, the Housing Strategy and the Digital Council Strategy. It will also be informed by the developing Town Centre Master Plan, which is soon to conclude and be published.
- 3.7.6 The Capital Strategy will deliver a Capital Programme that is affordable and sustainable, and contributes to the Borough's economic growth. It will also ensure that the Council is able to fully contribute to the delivery of the SCR Strategic Economic Plan and maximise the potential for securing capital funding from the SCR and the Devolution Deal.
- 3.7.7 One of the key aims of improving the Council's management of its capital resources is to embed the importance of having an integrated approach across revenue and capital within the organisation. This is to ensure that the two key strategic documents, the Capital Strategy and Medium Term Financial Strategy (MTFS) interlink, to ensure that the delivery and financing of the Capital Programme fully reflects the principles of the MTFS. This will be done by ensuring that the revenue implications of capital projects are reflected within the MTFS and in revenue budgets (such as the cost of borrowing and savings generated through invest to save schemes).
- 3.7.8 The revenue impact of the Capital Strategy is reflected in the Council's Revenue Budget and Council Tax Setting Report and the prudential borrowing requirement arising from the Capital Programme is reflected in the Prudential Indicators and Treasury Management and Investment Strategy.

The current Approved Capital Programme 2016-2021

- 3.7.9 The table below shows the current forecast outturn position for the approved Capital Programme (2016-2021) by Directorate, following the November monitoring cycle as presented in the Financial Monitoring to the Cabinet/Commissioners Decision Making Meeting of the 9th January 2017. This is showing a forecast underspend of £3.603m in 2016/17. In addition, in respect of future years, the forecast against budget shows an underspend of £8.172m. The majority of this underspend relates to the Adult Care & Housing Directorate, following a review of current and future years HRA investment as a result of changes to Government policy leading to a reduction in available funding. Underspends in 2016/17 in the Regeneration & Environment and Children & Young People's Services Directorates have in the majority of cases been re-profiled into 2017/18.

Table 10 – Capital Programme 2016/17 and 2017-2021

Directorate	2016/17			2017 - 2021		
	Budget	Forecast	Variance	Budget	Forecast	Variance
Adult Care & Housing	31,699,956	30,352,488	-1,347,468	39,327,864	29,475,509	-9,852,355
Children & Young Peoples Services	8,311,136	8,016,993	-294,143	9,971,803	10,204,803	233,000
Finance & Customer Services	3,528,039	3,370,159	-157,880	2,365,600	2,396,775	31,175
Regeneration & Environment	17,880,012	16,076,915	-1,803,097	10,629,781	12,046,053	1,416,272
Total	61,419,143	57,816,556	-3,602,587	62,295,048	54,123,140	-8,171,908

Table 11 – Cumulative Capital Programme 2016 - 2021

Directorate	2016 - 2021		
	Budget	Forecast	Variance
Adult Care & Housing	71,027,820	59,827,997	-11,199,823
Children & Young Peoples Services	18,282,939	18,221,796	-61,143
Finance & Customer Services	5,893,639	5,766,934	-126,705
Regeneration & Environment	28,509,793	28,122,968	-386,825
Total	123,714,191	111,939,695	-11,774,496

3.7.10 In addition, as part of this Financial Monitoring Report to Cabinet, approval was given for three additions to the Capital Programme in 2016/17 totalling £277,000 and for a number of project variations, which largely represented the re-profiling of expenditure from 2016/17 to 2017/18. The revised position on the current Approved Capital Programme for future years following approval of these changes is as follows:

Table 12 – Current Approved Capital Programme 2017 - 2021

Directorate	2017 - 2021		
	Current Budget	Revised Budget	Variance
Adult Care & Housing	39,327,864	29,475,509	-9,852,355
Children & Young Peoples Services	9,971,803	10,778,803	+807,000
Finance & Customer Services	2,365,600	2,396,775	+31,175
Regeneration & Environment	10,629,781	12,046,053	+1,416,272
Total	62,295,048	54,697,140	-7,597,908

New Projects for which approval is sought (2017-2022)

- 3.7.11 Appendix 3A of this report identifies the projects that were included in the Capital Strategy 2016-21 which have not yet progressed. In addition, it provides information on new projects that are being put forward for approval for inclusion in the refreshed Strategy. The information presented provides individual project descriptions, including details of the proposed profiled spend and resources, with new projects highlighted as such. Table 13 below summarises these projects being put forward for approval, summarised by investment theme:

Table 13 – New Projects for which approval is being sought (2017-22)

CAPITAL INVESTMENT THEMES	£000
TOWN CENTRE DEVELOPMENT	14,902
IMPROVING HIGHWAYS & INFRASTRUCTURE	75,201
HOUSING & NEIGHBOURHOODS INVESTMENT	94,472
KEY INVEST TO SAVE	14,525
BUILDINGS CRITICAL CONDITION	18,008
ICT CRITICAL CONDITION	3,435
GROWTH FUND	5,000
GRAND TOTAL	225,543

- 3.7.12 The proposed projects for which approval is being sought will focus on the following key str

- **Town Centre Development – £14.902m** – The Council has ambitions to continue the regeneration of the Town Centre offer, and has procured a Master Plan, which will determine which individual projects will be put forward as strategic priorities. These include:
 - Enhancements to the town centre offer and projects identified in the Master Plan.
 - Enhancements to the leisure/night time offer, including an ambition to bring a cinema to Rotherham.
 - Improvements to the Transport Interchange, to create a brighter, safer environment.
 - Development of key strategic sites, including Forge Island, Westgate/Sheffield Road and the water side.
 - Residential development in the town centre.
 - HE Campus development on the Doncaster Gate site.

Budgets have been approved in 2016/17 for the acquisition of Forge Island - £1.751m and Riverside Precinct properties - £347k, totalling £2.098m, from the original 2016/17 allocation of £2.100m.

- **Improving Highways and Infrastructure - £75.201m**

The new planned investment includes a further £10m investment in the Borough's unclassified roads network over the period 2017/18 – 2019/20 the outcome of which will be that the unclassified roads in Rotherham are at, or better, than the national average condition. In addition, it includes two key strategic projects:

- A Parkway Widening scheme - which will widen the Parkway from 2 lanes to 3 from the M1 to its junction with Europa Way at Catcliffe.
- The Waverley Link Road - which will connect Highfield Lane, Waverley to Woodhouse Mill, improving the connectivity of Waverley and the Advanced Manufacturing Park.

Both schemes are seeking Sheffield City Region and Department for Transport funding. The feasibility work for these projects is already included in the existing Approved Capital Programme.

In addition, indicative future years funding allocations in respect of Highways grant funded projects for maintenance and integrated transport have been included in the proposed programme.

- **Housing and Neighbourhoods Investment - £94.472m** – The annual Housing Investment programme will maintain decency standards, carry out stock improvements, aids and adaptations and new stock provision, energy efficiency and environmental works to our 21,000 council homes. This represents an additional new HRA investment of £73.982m in Council housing for the period 2018/19 – 2020/21 and follows a review of the HRA Business Plan. Planned works within the total programme include refurbishments to Council dwellings, replacements to central heating and district heating systems, works to void properties to bring them up to an agreed standard for lettings, and estate environmental works. In addition, there is a £14.800m programme to provide aids and adaptations to Council and private sector dwellings, to enable people to live independently in their homes for longer. This is complemented by additional investment in Assistive Technology, including Rothercare alarms and wheelchairs.
- **Key Invest to Save Schemes - £14.525m** – These projects include a potential Extra Care Housing Scheme on a site to be determined. The project is being developed by Adult Services and Housing and will be the subject of a report to Cabinet/Commissioners' Decision Making Meeting. This project meets cross-cutting objectives between Housing, Adults and Health services. Budget savings will be realised through property and service rationalisation, as the proposed Extra Care development will enable older people to live independently for as long as possible. This will reduce the pressure on existing budgets, as care packages can be added flexibly as and when required, based on need. The proposed scheme will provide complementary residential housing. In addition, an indicative figure of £4m in respect of revenue transformational expenditure, using the Government's capital receipts flexibilities is included in this theme, £2m per annum. This is alongside the £2m in the 2016/17 revenue budget.

- **Buildings Critical Condition Works - £18.008m** – Works focussed on maintaining the operational functionality of Council-owned buildings such as office spaces, schools, markets, libraries and museums. Projects include Education Funding Agency grant funded works to provide additional pupil places and deal with building condition issues on the Council's school estate. This includes a proposed new primary school at Waverley and major works at Aston Academy. In addition, works to the Council's operational buildings, to deal with backlog maintenance issues, to ensure that the Council's buildings are suitable for the provision of Council services.
- **ICT Critical Condition Works - £3.435m** – Works focussed on maintaining the operational functionality of the Council's ICT infrastructure, including lap-tops, telephony, servers and network equipment as well as modernising how the Council works. Projects identified within the new Programme include the following:
 - The replacement of essential IT networking equipment, server equipment and the Storage Area Network (SAN), which have reached the end of their useful life (£1.015m);
 - A continuation of the rolling programme of intelligent refresh of laptops to ensure they are fit for business use (£2.420m);

The Council is looking closely at how its services are delivered and is seeking to maximise the use of modern digital solutions to improve service delivery, generate savings and promote better engagement and information sharing with our partner organisations. To drive these improvements forward, the Council is currently finalising its new Digital Council Strategy and in doing so will be looking to bring forward how it plans to deliver services differently to its customers - the current expectation is that any such future capital investment decisions will be on an invest to save basis. Proposals will be developed in conjunction with Members, and business cases will be brought forward for individual projects in the coming months. The work plan within the Digital Council Strategy is reflected in this Capital Strategy. A separate report will be brought forward later in the year in respect of options for the replacement of the Council's HR and Payroll system. No funding has been included in the Capital Strategy for this.

- **Growth Fund - £5m** – A proposed investment fund to pump prime capital projects, which can be shown to bring forward development and enable economic growth, which if reliant on the private sector would either stall or be significantly delayed. This is identified as a priority within the Growth Plan, and builds on the Council's experience with the Advanced Manufacturing Park and the Town Centre High Street scheme.

Funding the Capital Programme

- 3.7.13 Table 14 below shows how the Council proposes to fund the projects for which approval is being sought, together with the funding of the existing approved Capital Programme projects.

- 3.7.14 Total prudential borrowing of £40.353m will be used to support the funding of the new projects, giving a total prudential borrowing requirement of £49.636m, when the existing approved Capital Programme projects are taken into account. The revenue implications arising from this prudential borrowing are fully reflected in the Council's 2017/18 Revenue Budget and Council Tax Setting Report, its Medium Term Financial Strategy and the Prudential Indicators and Treasury Management and Investment Strategy. In addition, it is proposed that £15.337m of capital receipts be used to support the funding of the new projects, £19.030m in total. This includes an indicative £4m from receipts anticipated to be received in 2017/18 and 2018/19 using the Government's flexibilities to fund revenue transformational expenditure. The Council has available receipts to fund its investment plans, as a direct result of reducing and rationalising its operational estate over the last 5 years. These receipts will be used to fund short-life ICT assets so as to minimise the revenue budget implications over the next 5 to 10 years and £7.902m towards the proposed town centre development project. The estimated funding profile for these projects for which approval is being sought is summarised in Table 14 below:

Table 14 – The proposed funding of the Capital Strategy (2017-22)

FUNDING STREAMS	CURRENT APPROVED CAPITAL PROGRAMME	PROJECTS FOR WHICH APPROVAL IS BEING SOUGHT	TOTAL CAPITAL PROGRAMME
	£m	£m	£m
Prudential Borrowing	9.283	40.353	49.636
Capital Receipts	3.693	15.337	19.030
Grant / Contributions	15.098	81.071	96.169
HRA	26.624	88.782	115.406
Grand Total	54.697	225.543	280.240

- 3.7.15 The Council's funding strategy in respect of the Capital Programme will be based on the following key principles:
- (i) Capitalisation opportunities will be maximised, where accounting rules allow.
 - (ii) The Government's capital receipts flexibilities will be maximised to fund revenue transformational expenditure, with an indicative £2m of capital receipts built into the revenue budget for 2017/18 and 2018/19. As a general principle, capital receipts will be earmarked to minimise revenue costs.

Development Pool Projects

3.7.16 The Development Pool projects represent some of the most significant proposals for capital investment within the Borough. These include projects which will deliver major improvements in key strategic areas such as highways, town centre regeneration, and housing and economic growth. However, these projects are in their embryonic stage and a number of them have not been costed. In addition, some of them have been identified as potential projects to be funded from the SCR. They are therefore attached from page 27 of Appendix A for information. These include the following ambition projects:

- Crinoline Bridge - £4m refurbishment works.
- New Rotherham Mainline Railway Station at Parkgate - £15.1m.
- Advanced Manufacturing Innovation District – Projects to stimulate growth.

3.7.17 It is recommended that Member approval be given for inclusion of these Development Pool Projects in the Capital Strategy, subject to detailed business cases being developed and funding packages being put in place. As they are developed, these projects will be brought through the relevant Officer and Member forums for consideration and evaluation before formal approval through the Cabinet and Commissioners Decision Making Meeting, to include them in the Capital Programme is sought.

3.8 Treasury Management Issues

3.8.1 Treasury Management is the management of the Council's cash flows, its banking, money market and capital transactions, the effective control of risks associated with these activities and the pursuit of optimum performance associated with those risks.

3.8.2 The Treasury Strategy has associated Prudential Indicators (PIs) which have to be approved by Council prior to 1st April each financial year in order to comply with the various statutory frameworks within which the treasury function has to operate.

3.8.3 The Prudential Code requires the Council to approve and monitor a minimum number of PIs in order to inform the capital decision making process and support capital investment decisions. These PIs are mandatory.

3.8.4 The Capital Finance Regulations 2008 require the Council to approve a Minimum Revenue Provision (MRP) statement which sets out the methods the Council will use to determine the appropriate amount of MRP to charge against the revenue budget.

3.8.5 The Treasury Management Strategy is integral to the overall Budget Strategy and to the management of the Capital Programme.

3.8.6 Details of the Treasury Management matters are contained in Appendix 4.

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

3.9.1 Section 25 of The Local Government Act 2003 requires the 'Chief Financial Officer' (The Strategic Director of Finance & Customer Services at Rotherham Council) to report to Council on the following matters in making decisions on the budget and financial strategy:

- the robustness of the estimates made for the purposes of the calculations;
- the adequacy of the proposed financial reserves.

3.9.2 In addition, it is recognised as good financial management for the Council to identify target levels for reserves and balances that are based on a thorough understanding of its needs and risks.

3.9.3 The contents of this budget and financial strategy report is the mechanism by which positive assurances are made by the Strategic Director of Finance & Customer Services about the adequacy of the proposed financial reserves.

3.9.4 The Strategic Director of Finance & Customer Services gives her positive assurances that the budget estimates for 2017/18 are robust and sustainable in the medium term, based on the recommendations of this Budget Report and predicated on the Council approving those recommendations.

3.9.5 However, this assurance is predicated on the Council securing plans and actions to ensure that a number of significant risk areas within the budget are addressed and savings delivered, in particular:

- Delivery of £2m of 2017/18 budget savings from the review of Staff Terms & Conditions of employment which have not yet been finally determined.
- Successful application of the investment in Children's Safeguarding to secure a sustainable financial position whilst delivering the necessary service improvements.
- Successful management of the demand pressures in Adult Social Care within the budget allocated through completion of the service development programme.

3.9.6 Additionally, early progress in addressing budget savings for 2018/19 and 2019/20 is essential if the Council is to maintain a robust approach to its budget and financial management.

3.9.7 The key fundamental principles of the report's recommendations which the Strategic Director of Finance & Customer Services has considered in giving this positive assurance are:

- That the budget strategy for 2017/18 is approved as set out in the report and incorporating the agreement to the delivery of £24m of net budget reductions including £11.1m of direct service budget cuts.
- That Directorates manage their finances within clearly defined cash-limits and maintain strict adherence to Financial Regulations.

- That Council approves the updates to the Medium Term Financial Strategy to 2019/20 and agrees to the ongoing delivery of efficiencies and savings to address the remaining £42m shortfall in resources over current spending plans across 2018/19 and 2019/20.
 - That the General Reserves Minimum Balance is maintained at its current level and is not called upon for other purposes save in exceptional circumstances with the agreement of the Leader of the Council, Chief Executive and the Strategic Director of Finance & Customer Services and approved by the appropriate body of the Council in accordance with the Constitution.
- 3.9.8 Section 3.5 of this report sets out the planned use of reserves in support of the budget while Appendix 7 shows the total revenue reserves currently held and set aside to mitigate additional financial risks and future known costs. The reserves position will need to be kept under review to ensure that the Council maintains a robust budget and sound financial base. This budget strategy proposes replenishing, over the medium term, the expected £13.751m reserves that will be required to support the £8.456m investment in 2016/17 and the £5.295m required to deliver a balanced budget in 2017/18 over and above the previously planned use.
- 3.9.9 The Council continues to operate in a tight financial climate by continuing to exercise the additional spending controls implemented towards the end of the current financial year including the application of stringent recruitment and procurement controls along with regular directorate budget challenge sessions involving Cabinet Members.
- 3.9.10 Within the current financial climate, effective and carefully planned use of reserves is ever more critical to the Council's ability to maintain a robust balanced budget whilst delivering its budget objectives to protect the most vulnerable people and those in need.
- 3.9.11 The planned use of reserves across the medium term will be reviewed during the forthcoming year as further information becomes available to inform future budget planning.
- 3.9.12 Achieving budget savings of this magnitude, whilst seeking to protect priority services as far as possible, requires a significant amount of service and financial planning. This can only be done effectively with the support of an integrated strategic approach to the level and use of the Council's reserves.
- 3.9.13 In considering the overall robustness of the budget proposals for 2017/18, account has been taken of the degree of transformation required in some areas and the time it will take to deliver some of the savings over the period. There are risks with some items until projects and plans have been fully developed but that is inevitable given the scale of the cuts involved. The planned use of reserves linked to both the revenue and capital budgets is integral and critical to this budget strategy and the overall robustness of the Council's finances. The importance of this should not be underestimated.

4. Options considered and recommended proposal

4.1 These are set out in Section 3 above.

5. Consultation

5.1 From 1st December 2016 to 3rd January 2017 the Council consulted with the public, staff and partners around the Directorate cuts and savings proposed for the 2017/18 budget. The Council asked the public to provide feedback on budget proposals via; local media, the Council website and social media.

5.2 Following consultation feedback and further work undertaken in respect of the budget savings proposed, three proposals have been withdrawn:

- R&E 9D (£60k) – Rotherham Foundation Trust have now confirmed that they do not wish to take up the office space at Bailey House. At this stage no alternative potential customer has been identified so this rent income is not guaranteed. Officers will continue to identify alternative suitable customers to occupy this space.
- PH13 (£94k) and PH16 (£40k)– Business Regulation Services – Health & Safety and Trading Standards (tobacco control): following consultation, feedback and further review it is believed that these proposed service cuts would result in the Council being unable to meet minimum statutory levels of service. These budget proposals have therefore been withdrawn.

5.3 Personal responses are being prepared to each person who has provided feedback on the 2017/18 budget proposals and the responses given will be posted on the Council's website.

5.4 A total of 31 responses were received to the corporate consultation exercise by the deadline (5.00pm Tuesday 3 January 2017) by email, and separately responses from the Council's partners were received recognising the difficulties the Council is facing and hence supporting the proposals put forward.

5.5 The Council's Overview and Scrutiny Management Board (OSMB) has closely reviewed and challenged the budget proposals included in this report. The budget process has included the referral of outline savings proposals to OSMB for its formal consideration as part of the Council's budget scrutiny process. OSMB has held formal sessions to consider these savings proposals (18th November and 2nd and 16th December 2016, with the associated information placed in the public domain), as well as the potential financial implications of the additional investment into Children's and Young Peoples Service and Adult Social Care, detailed in the agreed update to the Medium Term Financial Strategy.

5.6 The OSMB raised specific queries and challenge and received further information on some of the proposed savings and subsequently supported all the savings proposals put forward.

5.7 A number of the service specific budget proposals require further consultation prior to implementation and this will take place over the forthcoming months and in accordance with relevant statutory requirements.

5.8 With regard to the proposed changes to the Capital Strategy and Capital Programme, 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 The Council is required to set its annual budget by no later than 10th March each year. Strategic Directors are responsible for ensuring the delivery of savings proposals within their Directorate Cash Limit approvals.

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

7. Financial and Procurement Implications

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

7.2 In summary, the report recommends **a 4.99% increase in Council Tax** (excludes precepts other than the Adult Social Care precept) **and a 2017/18 General Fund Revenue Budget for the Council of £204.826m.**

7.3 It should be noted that the proposed revenue budget includes:

- A 1% increase for staff pay awards
- A general price inflation rate of nil %, and where known in relation to specific items of expenditure, a specific provision for inflation if significantly different. **In line with Council policy, it is expected that all such inflationary pressures will be contained within Directorate Cash Limit budgets.**
- Income inflation – as reflected in the Fees and Charges shown in Appendix 2.

7.4 Any revenue implications from the Approved Capital Programme are fully reflected in the Council's 2017/18 Revenue Budget, its Medium Term Financial Strategy and the Prudential Indicators and Treasury Management and Investment Strategy.

- 7.5 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.
- 7.6 There also is a requirement for all new projects to follow the new Capital Programme Governance procedures. This includes the requirement to bring forward detailed business cases for full sign off, before the delivery of the project commences.
- 7.7 Treasury Management forms an integral part of the Council's overall financial arrangements. The assumptions supporting the capital financing budget for 2017/18 and for the future years covered by the MTFS of the Council have been reviewed in light of the current economic and financial conditions and the revised future years' capital programme.
- 7.8 The proposed Treasury Management and Investment Strategy is not forecasted to have any further revenue consequences other than those identified and planned for in both the Council's 2017/18 Revenue Budget and approved MTFS.

8. Legal Implications

- 8.1 When setting the budget, the Council must be mindful of the potential impact on service users. In particular, Section 149 of the Equality Act 2010 imposes an obligation on Members to have due regard to protecting and promoting the welfare and interests of persons who share a relevant protected characteristic (age; disability; gender re-assignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation). The detail of the analysis of the budget proposals undertaken so far is described in section 11 below. However, case law has clarified that there is no obligation on a local authority to carry out an equality impact analysis of the high level strategic budget setting process. Once the budget has been set and as spending decisions are made service by service, and as policies are developed within the constraints of the budgetary framework, proposals will be further considered by Members and will be subject to an appropriate and proportionate assessment of any equality implications.
- 8.2 In coming to decisions in relation to the revenue budget and Council Tax the Council has various legal and fiduciary duties. The Council is required by the Local Government Act 1992 to make specific estimates of gross revenue expenditure and anticipated income leading to the calculation of the council tax requirement and the setting of the overall budget and Council Tax. The amount of the council tax requirement must be sufficient to meet the Council's legal and financial commitments, ensure the proper discharge of its statutory duties and lead to a balanced budget.

- 8.3 In exercising its fiduciary duty the Council should be satisfied that the proposals put forward are a prudent use of the Authority's resources in both the short and long term; that the proposals strike a fair balance between the interests of Council Tax payers and ratepayers on the one hand and the community's interests in adequate and efficient services on the other; and that they are acting in good faith for the benefit of the community whilst complying with all statutory duties. Officers have addressed the duty to strike a fair balance between different elements of the community and the interests of Council Tax and Business Rate payers in developing the budget proposals set out in this report.
- 8.4 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.
- 8.5 It is a requirement that changes to the Council's prudential indicators and approved by Council.
- 8.6 It is also a requirement that the Council's Minimum Revenue Provision Policy Statement for each financial year is approved by Council.

9. Human Resources Implications

- 9.1 The expected impact of the budget proposals within this report on the number of Full Time Equivalent (FTE) staff/posts to be lost is shown in Table 15 below:

Table 15 – Implications of Budget Proposals on Staff/Posts

Budget Round	2017/18	2018/19	2019/20
	FTE	FTE	FTE
Staff savings included in the 2017/18 Budget Round proposals	71.2	2.0	0
Staff savings agreed in the 2016/17 Budget Round (adjusted to reflect the latest forecast impact of the Adult Social Care Development Programme)	91.1	161.7	0
Total FTE loss	162.3	163.7	0

- 9.2 During 2016/17 123 staff (92 FTE) left the Council through redundancy or Voluntary Early Retirement.
- 9.3 Since 2010 the Council has reduced its headcount by over 1,700. The current headcount is 5,316 (3,869 full-time equivalent posts).

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 See sections 3.2.3 to 3.2.8 and sections 3.2.13 to 3.2.19 above.

- 10.2 There has been significant investment in Children and Young People Services in recent years and in the proposed 2017/18 budget demonstrating the Council's commitment to improving the service and better protecting children and young people. This budget includes over £10m of such investment in children's safeguarding (including the increase provided in 2016/17). The proposed 2017/18 budget also includes over £3m investment in Adult care services.
- 10.3 Projects included within the Capital Programme have been informed by the Children's Improvement Plan. They include the development of the Liquid Logic Children's and Adults' Social Care ICT system, to meet a key recommendation in the Jay report to "*Address the severe deficits in the ICS system as a matter of urgency and procure a replacement system*". In addition, they include projects to provide additional school places, and address underlying building condition issues. The Authority has a statutory obligation to provide sufficient pupil places in the Borough. This obligation extends to academy schools as well as local authority maintained schools. The Corporate Property Unit work closely with colleagues in CYPS to identify schools which are most in need of expansion, to deal with increasing pupil numbers. In addition, the programme includes property adaptations to foster care homes to create additional foster care places in the Borough.

11 Equalities and Human Rights Implications

- 11.1 All budget savings proposals requiring full, detailed Equalities Assessments will be included in the report to Council on 8th March 2017.
- 11.2 Projects within the Capital Programme will ensure that as far as possible Council buildings are fully accessible, to enable all users to access Council services. In addition, projects within the Council's Digital Council Strategy will ensure that individual customer needs are met. The development of the Children's and Adults' Social Care ICT system will ensure equality of opportunity for a range of vulnerable groups, by providing timely and robust data, to enable all partners to work together and ensure that care and protection is available to those people who need it most.

12. Implications for Partners and Other Directorates

- 12.1 The implications for Partners and Other Directorates of revenue budget savings proposals at Appendix 1 and in the Equalities Assessments.
- 12.2 Where the Council is working with partner organisations on specific capital projects, for example in Health, the Police and other government agencies, proposals have been developed in conjunction with these organisations.

13. Risks and Mitigation

- 13.1 Over the last year the budget has been subject to significant in-depth work by the new senior leadership team and Cabinet Members to ensure a better understanding of previous decisions and detail within budgets. As such, the budget is considered to be robust and achievable. The Council currently has a healthy balance of reserves to mitigate overall budget risk in the short term and to support the budget in the medium term. The proposals include replenishing reserves that are being used and hence support a sustainable financial plan.
- 13.2 The Capital Programme is funded through a number of sources: Prudential borrowing, capital grants and contributions, revenue contributions and capital receipts. Any uncertainty over the funding of the Programme rests on confirmation that grants/contributions and capital receipts continue to be available in future years.
- 13.3 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.
- 13.4 The proposed Treasury Management and Investment Strategy seeks to minimise the risks inherent in operating a Treasury Management function during these difficult economic and financial conditions.
- 13.5 Operational Treasury Management guidelines will continue to be kept in place and reviewed to ensure they are appropriate given the circumstances faced, supported by regular monitoring to ensure that any risks and uncertainties are addressed at an early stage and hence kept to a minimum.

14. Accountable Officer(s)

Judith Badger, Strategic Director of Finance and Customer Services

Approvals Obtained from:-

Strategic Director of Finance and Customer Services:-
Judith Badger

Assistant Director of Legal Services:-
Dermot Pearson

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Summary of Directorate Budget Savings 2017/18 to 2019/20

Directorate		2017/18	2018/19	2019/20	2017/18	2018/19	2019/20	TOTAL	TOTAL
		£'000	£'000	£'000	FTE	FTE	FTE	£'000	FTE
Assistant Chief Executive	(ACE)	52.0	40.0	0.0	0.0	0.0	0.0	92.0	0.0
Finance & Customer Services	(F&CS)	667.0	-60.0	0.0	18.4	0.0	0.0	607.0	18.4
Adult Care & Housing	(ACH)	4,332.0	0.0	0.0	9.5	0.0	0.0	4,332.0	9.5
Public Health	(PH)	679.5	179.5	0.0	7.5	0.0	0.0	859.0	7.5
Children & Young People's Service	(CYPS)	2,159.0	591.0	0.0	30.9	0.0	0.0	2,750.0	30.9
Regeneration & Environment	(R&E)	3,206.4	904.0	-500.0	4.9	2.0	0.0	3,610.4	6.9
TOTAL		11,095.9	1,654.5	-500.0	71.2	2.0	0.0	12,250.4	73.2

Directorate	Service	Ref:	Description	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20	TOTAL	TOTAL
				£'000	£'000	£'000	FTE	FTE	FTE	£'000	FTE
ACE	Members	ACE 1	Reduce Members subsistence and conferences budget due to recurrent capacity each year.	12.0	0.0	0.0	0.0	0.0	0.0	12.0	0.0
ACE	Ministry of Food	ACE 2	Agreement in place for a planned reduction of Council revenue funding support for Ministry of Food from end September 2017.	40.0	40.0	0.0	0.0	0.0	0.0	80.0	0.0
F&CS	Schools Finance	F&CS1-A	Trading with Schools and Academies - Use of traded surplus reserve (one-off) to support budget pending outcome of traded service review	60.0	-60.0	0.0	0.0	0.0	0.0	0.0	0.0
F&CS	Revenue, Benefits & Payments	F&CS2-A	Increase summons costs for both Council Tax and Non Domestic Rates by £6 from the current £48 to £54.	127.0	0.0	0.0	0.0	0.0	0.0	127.0	0.0
F&CS	Revenue, Benefits & Payments	F&CS2-C-H	Staffing reduction in Local Taxation (Council Tax and Non Domestic Rates billing and recovery) and Account Management (Debt recovery) and 25% reduction in overtime.	139.0	0.0	0.0	8.0	0.0	0.0	139.0	8.0
F&CS	Revenue, Benefits & Payments	F&CS2-J	Income generation initiative - Additional 1FTE (Band F) Debt Recovery Visiting Officer post	47.0	0.0	0.0	-1.0	0.0	0.0	47.0	-1.0
F&CS	Revenue, Benefits & Payments	F&CS2-K - M	Staff savings Account Management (Miscellaneous income - collection of Sundry Debtors and Housing Benefit Overpayments). Loss of 2.4FTE posts in Account Management	65.0	0.0	0.0	2.4	0.0	0.0	65.0	2.4
F&CS	Revenue, Benefits & Payments	F&CS2-N - R	Staff savings Revenues and Payments (Assessment of client contributions to social care, payment of service providers and collection of contributions). Restructure and loss of c 4FTE posts	92.0	0.0	0.0	4.0	0.0	0.0	92.0	4.0
F&CS	Revenue, Benefits & Payments	F&CS2-H	Staffing reductions in Benefits Assessment of c 4FTE posts and 25% reduction in overtime	105.0	0.0	0.0	4.0	0.0	0.0	105.0	4.0

Directorate	Service	Ref:	Description	2017/18 £'000	2018/19 £'000	2019/20 £'000	2017/18 FTE	2018/19 FTE	2019/20 FTE	TOTAL £'000	TOTAL FTE
F&CS	Revenue, Benefits & Payments	F&CS2-V	Reduction of 1 FTE from the Technical Team	32.0	0.0	0.0	1.0	0.0	0.0	32.0	1.0
Adults	Mental Health	AS01	Review provision of Mental Health services	500.0	0.0	0.0	9.5	0.0	0.0	500.0	9.5
Adults	Housing Related Support	AS03	Review of housing related support contracts	250.0	0.0	0.0	0.0	0.0	0.0	250.0	0.0
Adults	Learning Disabilities	AS02	Review of learning disabilities placements in residential and nursing care	1,500.0	0.0	0.0	0.0	0.0	0.0	1,500.0	0.0
Adults	Community Services	AS04	Review of all Community Services care packages	2,082.0	0.0	0.0	0.0	0.0	0.0	2,082.0	0.0
PH	Public Health	PH03	Revise care pathway for Children's Weight Management Programme	76.0	0.0	0.0	0.0	0.0	0.0	76.0	0.0
PH	Public Health	PH04	Transform public health lifestyle services by commissioning new wellbeing service with a reduced envelope. (approx. 25% reduction when include savings which need to be made for the PH grant reduction)	37.0	150.0	0.0	4.6	0.0	0.0	187.0	4.6
PH	Public Health	PH06	Review Specialist Midwifery Services	107.5	0.0	0.0	0.0	0.0	0.0	107.5	0.0
PH	Public Health	PH07	Review contract for secondary care drugs and alcohol treatment service	155.0	0.0	0.0	0.0	0.0	0.0	155.0	0.0
PH	Public Health	PH08	End funding for the GP alcohol screening service	67.0	0.0	0.0	0.0	0.0	0.0	67.0	0.0
PH	Public Health	PH10	Reduce Adult Social Care Assessment service for alcohol and drugs	30.0	0.0	0.0	1.0	0.0	0.0	30.0	1.0
PH	Public Health	PH11	Consider impact of reducing "Know the Score" young people's drug and alcohol service by 10%	0.0	22.0	0.0	0.0	0.0	0.0	22.0	0.0
PH	Public Health	PH14	Review of Adults Weight Management Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PH	Public Health	PH15	Make mental health training programme sustainable by charging for courses. This will reduce the budget for mental health training and campaigns community awareness events by almost 50%	8.5	0.0	0.0	0.0	0.0	0.0	8.5	0.0
PH	Public Health	PH17	Cease funding the Ministry of Food provision	32.5	32.5	0.0	0.0	0.0	0.0	65.0	0.0
PH	Public Health	PH01	Take back reallocated funding for Home Survey	20.0	0.0	0.0	0.0	0.0	0.0	20.0	0.0
PH	Public Health	PH02	Review provision of Nalmefene (new alcohol misuse drug)	50.0	0.0	0.0	0.0	0.0	0.0	50.0	0.0
PH	Public Health	PH05	Review of Partnership Team	25.0	-25.0	0.0	0.0	0.0	0.0	0.0	0.0
PH	Public Health	PH09	Reduction in Public Health staffing	56.0	0.0	0.0	1.9	0.0	0.0	56.0	1.9
PH	Public Health	PH12	Young People's Tobacco Control	15.0	0.0	0.0	0.0	0.0	0.0	15.0	0.0
CYPS	Transport	ASR-Transport-A	Review of transport assistance policies and usage	100.0	100.0	0.0	0.0	0.0	0.0	200.0	0.0
CYPS	Education & Skills Service	ASR-ESS-A	Increase in centrally retained Early Years funding	200.0	0.0	0.0	0.0	0.0	0.0	200.0	0.0
CYPS	Education & Skills Service	ASR-ESS-B	Provide a lean Education & Skills service	200.0	0.0	0.0	3.0	0.0	0.0	200.0	3.0

Directorate	Service	Ref:	Description	2017/18 £'000	2018/19 £'000	2019/20 £'000	2017/18 FTE	2018/19 FTE	2019/20 FTE	TOTAL £'000	TOTAL FTE
CYPS	Commissioning, Performance & Quality	ASR-CPQ-A	Review of Business Support	750.0	0.0	0.0	27.5	0.0	0.0	750.0	27.5
CYPS	Commissioning, Performance & Quality	ASR-CPQ-B	Performance & Quality Review	100.0	0.0	0.0	0.4	0.0	0.0	100.0	0.4
CYPS	Commissioning, Performance & Quality	ASR-CPQ-C	Market Development - Contracts Review	559.0	241.0	0.0	0.0	0.0	0.0	800.0	0.0
CYPS	Commissioning, Performance & Quality	ASR-CPQ-D	Pooled budgets by integration and closer working with Adults and Health	250.0	250.0	0.0	0.0	0.0	0.0	500.0	0.0
R&E	PFI & Commercial Waste Services	CCR-4	A review of the financial mechanisms behind the Waste PFI and commercial opportunities / royalty income to be undertaken to establish true value and longevity of this potential income stream. In addition, a review to be undertaken to assess opportunities to increase the Council's commercial waste service and associated income potential. Barnsley Council has confirmed that they may be interested in exploring a collaborative approach to extending commercial was opportunities. They have a waste transfer station which could be utilised for a partnership project.	100.0	100.0	0.0	0.0	0.0	0.0	200.0	0.0
R&E	Street Lighting	R&E2-2	Capitalisation of Highway revenue budgets (street bollards, signs, street name plates, electrical testing and other highway amenities)	150.0	0.0	0.0	0.0	0.0	0.0	150.0	0.0
R&E	Business Regulation - Food Standards	R&E4-4a	A review of proactive food premises hygiene inspections and to explore the potential for shared service arrangements with other council(s)	0.0	55.0	0.0	0.0	0.0	0.0	55.0	0.0
R&E	Business Regulation - Trading Standards	R&E4-4b	Trading Standards - Cease the provision of consumer advice to vulnerable residents	6.0	0.0	0.0	0.2	0.0	0.0	6.0	0.2
R&E	Business Regulation - Trading Standards	R&E4-4c	Trading Standards - A review of Trading Standards Service along with other Business Regulation Functions to explore the potential for Shared Service provision with neighbouring local authorities. If this option is not forthcoming, then there may be a need to provide an entirely re-active service which would mean proactive inspections, campaigns test purchasing would cease.	0.0	60.0	0.0	0.0	2.0	0.0	60.0	2.0
R&E	Corporate Transport	R&E20-20	Review of Home to School transport provision	500.0	0.0	0.0	0.0	0.0	0.0	500.0	0.0

Directorate	Service	Ref:	Description	2017/18 £'000	2018/19 £'000	2019/20 £'000	2017/18 FTE	2018/19 FTE	2019/20 FTE	TOTAL £'000	TOTAL FTE
R&E	Green Spaces	R&E21-21	Alternative funding through sponsorship for seasonal bedding displays (including parks and roundabouts).	21.0	0.0	0.0	0.0	0.0	0.0	21.0	0.0
R&E	Business Regulation	R&E 26	Increase income/charges for Pest Control	30.0	0.0	0.0	0.0	0.0	0.0	30.0	0.0
R&E	Corporate Transport	CCR-1	A comprehensive review of transport and fleet operations will provide an opportunity to identify ways to sustainably reduce underlying revenue costs whilst preserving or improving service levels and quality standards across the Council's fleet service. The objective of the review is to quickly and effectively establish cost reductions and income generation potential in transport operations along with the service quality improvement opportunities. In addition, the review will identify a programme of change that will deliver these efficiency options, cost reductions, income generation and service improvements.	50.0	0.0	0.0	0.0	0.0	0.0	50.0	0.0
R&E	Environmental Enforcement inc fixed penalty notices	CCR-5	Environmental enforcement is a key Council priority and a Members Working Group has been set up to oversee the implementation of a new approach. A work plan has been developed which lays out priorities in relation to an enhanced focus through the adoption of a "Time for Action" approach. There are several strands within the plan including: Exploring options to increase the appropriate use of fixed penalty notices as a deterrent to committing environmental crime.	100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0
R&E	Highways Maintenance	R&E1-1	Capitalisation of Highways Revenue budgets	500.0	0.0	-500.0	0.0	0.0	0.0	0.0	0.0
R&E	Street Cleansing	R&E3-3	Reduce the town centre cleansing team by 1fte (currently 7 operatives)	18.0	0.0	0.0	1.0	0.0	0.0	18.0	1.0
R&E	Emergency Planning & Shared Services	R&E6-6	Reduction of Emergency Planning & shared services staff and non-staffing costs	10.0	0.0	0.0	0.0	0.0	0.0	10.0	0.0

Directorate	Service	Ref:	Description	2017/18 £'000	2018/19 £'000	2019/20 £'000	2017/18 FTE	2018/19 FTE	2019/20 FTE	TOTAL £'000	TOTAL FTE
R&E	PFI Leisure	CCR-3	A review of the Leisure PFI was undertaken by 'Local Partnerships' on behalf of the Council in 2015 and the remit of the review was to explore savings across all activities across the leisure centre provision. The first part of the approach planned will be to review the list of opportunities presented in order to determine whether they have been implemented or not and if not, are there still opportunities worth pursuing. The second aspect will be to conduct a review of the "soft services" or contract specific services the Council has requested the operator delivers, which could present a range of other options for consideration, but will directly impact upon the offer available at the leisure centres. This will, of course, allow for a more hard edged commercial approach by the operator to maximise income on the more popular income earning services. This could, for example, cover discreet services, the Rother Card concessions and leisure centre opening hours.	150.0	100.0	0.0	0.0	0.0	0.0	250.0	0.0
R&E	Theatres	R&E7-7	Increase income through ticket sales/catering	10.0	0.0	0.0	0.0	0.0	0.0	10.0	0.0
R&E	Clifton Park Museum & Clifton Park	R&E8-8a	Income - Increase room hire and take up of wedding packages (Clifton Park Museum and Clifton Park)	4.8	0.0	0.0	0.0	0.0	0.0	4.8	0.0
R&E	Clifton Park Museum & Clifton Park	R&E8-8b	Income - organise/arrange commercial events mainly through 3rd party providers at Clifton Park and Museum	2.5	0.0	0.0	0.0	0.0	0.0	2.5	0.0
R&E	Clifton Park Museum & Clifton Park	R&E8-8c	Income - improve retail spend (Clifton Museum and Clifton Park)	4.0	0.0	0.0	0.0	0.0	0.0	4.0	0.0
R&E	Clifton Park Museum & Clifton Park	R&E8-8d	Income - Increase income from catering outlets, catering for room hire and including re-tender of concessions (Clifton Museum and Clifton Park)	11.0	0.0	0.0	0.0	0.0	0.0	11.0	0.0
R&E	Green Spaces	R&E 25	Additional income (increased income target) through investment in a new visitor attraction (electric boats) at Rother Valley Country Park.	33.0	0.0	0.0	0.0	0.0	0.0	33.0	0.0
R&E	Events	NEW	Generation of additional income from the renting of pitches at Rotherham Show.	60.0	0.0	0.0	0.0	0.0	0.0	60.0	0.0
R&E	Libraries	R&E 27	Reduction in Libraries Book Fund	13.0	0.0	0.0	0.0	0.0	0.0	13.0	0.0
R&E	Land & Property - Children's Homes	R&E9-9a	Closure of 3x children's homes - Silverwood, Wood View and St Edmunds. Also planned closure of Habershon House in Filey (sale & asset transfer).	110.8	27.0	0.0	0.0	0.0	0.0	137.8	0.0
R&E	Land & Property	R&E9-9b	Closure of Copeland Lodge / Netherfield	128.4	30.0	0.0	0.0	0.0	0.0	158.4	0.0
R&E	Land & Property	R&E9-9c	Land & Property bank savings from surplus properties which are subject to disposal or already closed	309.9	2.0	0.0	0.0	0.0	0.0	311.9	0.0

Directorate	Service	Ref:	Description	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20	TOTAL	TOTAL
				£'000	£'000	£'000	FTE	FTE	FTE	£'000	FTE
R&E	RIDO / Economic Development	R&E11-11a	Further increase in business centre charges (additional to those already agreed last year as part of 3 year programme)	5.0	0.0	0.0	0.0	0.0	0.0	5.0	0.0
R&E	RIDO / Economic Development	R&E11-11b	Cease membership to the Industrial Communities Alliance	10.0	0.0	0.0	0.0	0.0	0.0	10.0	0.0
R&E	Property Addressing	R&E13-13a	Charge for street naming (property addressing)	20.0	0.0	0.0	0.0	0.0	0.0	20.0	0.0
R&E	Local Land Charges	R&E13-13b	Increase in Local Land Charge (Search) fees	50.0	0.0	0.0	0.0	0.0	0.0	50.0	0.0
R&E	Building Design & Corporate Projects	R&E15-15	Form a new RCP (Rotherham Construction Partnership) Framework - this will be a framework for tenders for smaller scale works outside of YORTENDER/YORBUILD.	20.0	0.0	0.0	0.0	0.0	0.0	20.0	0.0
R&E	Corporate Property	CCR-2	A corporate review of land and property, linked to service reviews and localities. A draft schedule for potential property savings is currently being prepared by CPU. This will provide more certainty regarding early savings options.	500.0	500.0	0.0	tbc	tbc	tbc	1,000.0	tbc
R&E	Land & Property - Maltby Library	R&E9-9e	Maltby Library re-location: Re-location of Maltby Library into Maltby CSC and Bailey House, freeing up library site for disposal.	51.5	20.0	0.0	0.0	0.0	0.0	71.5	0.0
R&E	Land & Property	R&E9-9f	Additional Corporate Landlord savings through Property Rationalisation: Psalters Lane and former Swinton CSC closure and handover to Land and Property Bank.	52.5	10.0	0.0	0.0	0.0	0.0	62.5	0.0
R&E	RIDO / Economic Development	R&E 10a	Reduce/abolish RERF (Rotherham Economic Regeneration Funding).	25.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0
R&E	Markets	R&E12-12	Increase in income from the outdoor covered market.	20.0	0.0	0.0	0.0	0.0	0.0	20.0	0.0
R&E	Planning & Building Control	R&E13-13c	Savings against consultancy budget - (in addition to reductions previously agreed for 17/18 and 18/19)	20.0	0.0	0.0	0.0	0.0	0.0	20.0	0.0
R&E	Transportation & Highways	R&E14	Additional income through claiming legitimate management and administrative costs for project delivery against external funding allocations and through claiming up-front costs associated with bidding for funding against final grant awards	25.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0
R&E	Facilities Services	R&E 24-24A	Revise the Cleaning Schedule for Riverside House	76.0	0.0	0.0	3.2	0.0	0.0	76.0	3.2
R&E	Facilities Services	R&E 24-24 B	Reduce the cleaning for Bailey House, Town Hall, Eric Manns and Rotherham Intermediate Care Centre (Millenium Centre)	9.0	0.0	0.0	0.5	0.0	0.0	9.0	0.5

Fees & Charges to the Public and External Organisations – 2017/18

Includes:

- 1. Adult Care**
- 2. Housing – HRA**
- 3. Children & Young People's Services**
- 4. Finance & Customer Services**
- 5. Assistant Chief Executive**

Note:

Fees & charges to the public and external organisations levied by the Regeneration & Environment Directorate are not included and will be set out in a separate report to Cabinet in March 2017.

Directorate: Adult Care and Housing

Service Area	Charged for Service	Charge 2016/17	Charge 2017/18	Change in Charge 2016/17 to 2017/18	Charge Unit (E.g. Day, Hour, Session, visit, etc)	References (E.g. Cabinet Report/date, Budget Proposal Ref, etc)	Additional Information (E.g. Annual inflation increase, revised charge based on demand, legislation change, etc)
		£	£	£			
Adult Care	Domiciliary Care	15.43	15.43	0	Hour	Cabinet Report – 14 March 2016	
Adult Care	Day Care	4.47	15.00	10.53	Session	Cabinet Report – November 2016	Increase implemented from 01/01/17 after review of charges including benchmarking and consultation with service users. Further increase from 1 October 2017 to £30 per session
Adult Care	Day Care Meal	4.70	4.70	0	Meal	Cabinet Report – 14 March 2016	
Adult Care	Transport	3.50	5.00	1.50	Return Journey	Cabinet Report – November 2016	Increase implemented from 01/01/17 after review of charges including benchmarking and consultation with service users
Adult Care	Community Alarms (Rothercare)	2.77	2.77	0	Week		To be reviewed as part of Adult Services Development Programme
Adult Care	Residential Care – Older People	550	564	14.00	Week	Cabinet Report 13 February 2017	Increase in line with annual increase in pensions (2.5%)
Adult Care	Residential Care – Learning Disabilities (Parkhill Lodge)	637.17	620.43	-16.74	Week	Cabinet Report 13 February 2017	Revised actual cost of service
Adult Care	Learning Disabilities – Respite Care	1438.12	1306.53	-131.59	Week	Cabinet Report 13 February 2017	Revised actual cost of service
Adult Care	Extra Care Housing Support	28.06	28.06	0	Week		To be reviewed as part of Adult Services Development Programme

Directorate: Adult Care and Housing – HRA charges

Service Area	Charged for Service	Charge 2016/17	Charge 2017/18	Change in Charge 2016/17 to 2017/18	Charge Unit (E.g. Day, Hour, Session, visit, etc)	References (E.g. Cabinet Report/date, Budget Proposal Ref, etc)	Additional Information (E.g. Annual inflation increase, revised charge based on demand, legislation change, etc)
		£	£	£			
Housing	HRA Standard Rent	74.03	73.29	-0.74	Weekly	Cabinet Report 09/Jan/17	Legislation requiring rent reduction of 1%
Housing	HRA New Build Rent	95.43	94.48	-0.95	Weekly	Cabinet Report 09/Jan/17	Legislation requiring rent reduction of 1%
Housing	Garage Rent	4.70	4.75	+0.05	Weekly	Cabinet Report 09/Jan/17	Increase CPI @ 30/Sep/16 +1%
Housing	Garage Rent – non council tenant	5.64	5.70	+0.06	Weekly	Cabinet Report 09/Jan/17	Increase CPI @ 30/Sep/16 +1%
Housing	Surfaced Garage Plot	56.57	57.14	+0.57	Annual Fee	Cabinet Report 09/Jan/17	Increase CPI @ 30/Sep/16 +1%
Housing	Cooking Gas	0.80	0.81	+0.01	Weekly	Cabinet Report 09/Jan/17	Increase CPI @ 30/Sep/16 +1%
Housing)	Communal Facility	4.46	4.50	+0.04	Weekly	Cabinet Report 09/Jan/17	Increase CPI @ 30/Sep/16 +1%
Housing	Laundry Facility	1.48	1.50	+0.02	Weekly	Cabinet Report 09/Jan/17	Increase CPI @ 30/Sep/16 +1%
Housing	District Heating Unit Charge	8.72	8.72	Nil	Unit of heat used	Cabinet Report 09/Jan/17	No Change to charge
Housing	District Heating : Bedsit	12.80	12.80	Nil	Weekly	Cabinet Report 09/Jan/17	No Change to charge
Housing	District Heating : 1 Bed	14.90	14.90	Nil	Weekly	Cabinet Report 09/Jan/17	No Change to charge
Housing	District Heating : 2 Bed	17.10	17.10	Nil	Weekly	Cabinet Report 09/Jan/17	No Change to charge
Housing	District Heating : 3-4 Bed	19.78	19.78	Nil	Weekly	Cabinet Report 09/Jan/17	No Change to charge

Directorate: Children & Young People Services

Service Area	Charged for Service	Charge 2016/17	Charge 2017/18	Change in Charge 2016/17 to 2017/18	Charge Unit (e.g. Day, Hour, Session, visit, etc.)	References (e.g. Cabinet Report/date, Budget Proposal Ref, etc.)	Additional Information (e.g. Annual inflation increase, revised charge based on demand, legislation change, etc.)
		£	£	£			
Schools Traded	Admissions Service	28.38	28.38	0	Per Admission number	Brochure of Traded Service	Annual agreement – academic year
Schools Traded	Appeals Service	128.00	128.00	0	Per Appeal	Brochure of Traded Service	Annual agreement – academic year
Schools Traded	Building Design and Construction					Brochure of Traded Service	Variable dependent upon service provided.
Schools Traded	Education Catering Services					Brochure of Traded Service	Variable dependent upon option provided. Option 1 – full catered service. Option 2 – managed service. Option 3 – monitoring service.
Schools Traded	CLEAPSS membership (Consortium of Local Education Authorities for the Provision of Science Services)	275.00	Not yet known		Per school	Brochure of Traded Service	2017/18 rate dependent upon subscription charge set by CLEAPSS
Schools Traded	Corporate Print Services					Brochure of Traded Service	Variable dependent upon requirement. Pay as used.
Schools Traded	Drainage Service					Brochure of Traded Service	Variable dependent upon requirement. Pay as used.
Schools Traded	Educational Psychology	360.00	360.00	0	Per session	Brochure of Traded Service	Variable dependent upon option chosen. Sessional charge reduced to £355 (if use

							over 40 sessions (based on 2 sessions per day)), £350 (80 sessions). If request received after 31 st March, sessional charge increased to £440. No changes between years.
Schools Traded	Facilities Services					Brochure of Traded Service	Variable dependent upon requirement
Schools Traded	Facilities Services - Advice and guidance package, Primary schools	250.00	350.00	100.00	Per school	Brochure of Traded Service	
Schools Traded	Facilities Services - Advice and guidance package, Secondary schools	350.00	450.00	100.00	Per school	Brochure of Traded Service	
Schools Traded	Facilities Services - Hourly rate	40.00	50.00	10.00	Per hour	Brochure of Traded Service	
Schools Traded	Finance support for maintained schools					Brochure of Traded Service	Variable dependent upon requirement
Schools Traded	Free school meals eligibility assessment service	5.12	5.12	0	Per eligible school meal pupil	Brochure of Traded Service	
Schools Traded	Genuine Partnerships and Rotherham Charter Services					Brochure of Traded Service	Variable dependent upon requirement
Schools Traded	Grounds Maintenance Service					Brochure of Traded Service	Variable dependent upon range and scale of work
Schools Traded	Heritage Services – full day session	7.50	6.50	-1.00	Per child	Brochure of Traded Service	
Schools Traded	Heritage Services – full day session (minimum charge)	150.00	175.00	25.00	Per class (16/17, 25 pupils or	Brochure of Traded Service	

					less; 17/18, 27 pupils or less)		
Schools Traded	Heritage Services – half day session	4.00	4.00	0	Per child	Brochure of Traded Service	
Schools Traded	Heritage Services – half day session (minimum charge)	100.00	108.00	8.00	Per class (16/17, 25 pupils or less; 17/18, 27 pupils or less)	Brochure of Traded Service	
Schools Traded	Heritage Services – cooking session (new for 17/18)	n/a	4.50	n/a	Per child	Brochure of Traded Service	
Schools Traded	Heritage Services – cooking session (minimum charge) (new for 17/18)	n/a	122.00	n/a	Per class (16/17, 25 pupils or less; 17/18, 27 pupils or less)	Brochure of Traded Service	
Schools Traded	HR Consultancy Service – training on HR issues	75.00	75.00	0	Per delegate per 2 hour session	Brochure of Traded Service	
Schools Traded	HR Consultancy Service – intensive support by HR professional	400.00 (per day) or £50 (per hour)	400.00 (per day) or £50 (per hour)	0	Per day (or hour)	Brochure of Traded Service	
Schools Traded	HR Transactional Services – Maintained School, DBS checks	National rate + £12 (admin)	National rate + £12 (admin)	0	Per check	Brochure of Traded Service	
Schools Traded	HR Transactional Services – Maintained School, Conversion	£750.00	£750.00	0	Per conversion	Brochure of Traded Service	

Schools Traded	Identity Badge Service					Brochure of Traded Service	Pay as used
Schools Traded	Insurance Service					Brochure of Traded Service	Variable dependent upon requirement / nature of policy
Schools Traded	Learning Support Service	55.00	55.00	0	Per hour	Brochure of Traded Service	Variable dependent upon requirement
Schools Traded	Legal Services	200.00 (Primary) 350.00 (Secondary)	200.00 (Primary) 350.00 (Secondary)	0	Annual subscription	Brochure of Traded Service	Pay as used rates £38 – £62 dependent upon officer providing information (no change)
Schools Traded	Leisure and Community Services – Adventure Valley Play Area	2.00	2.00	0	Per child	Brochure of Traded Service	
Schools Traded	Leisure and Community Services – Activity Centre and Water sports	110.00	110.00	0	Per 10 children per 90 minutes	Brochure of Traded Service	
Schools Traded	Rotherham Music Service – First access	tbc	440.00		Per term	Brochure of Traded Service	
Schools Traded	Rotherham Music Service – Instrumental lessons	tbc	92.00		Per term	Brochure of Traded Service	
Schools Traded	Rotherham Music Service – Small group tuition	tbc	40.00		Per hour	Brochure of Traded Service	
Schools Traded	Outdoor Learning and Educational Visits Service	1.46	1.50	0.04	Per pupil	Brochure of Traded Service	Different options. Option 2 includes Duke of Edinburgh Award flat fee £350 (secondary/college), £50 (special school)

Schools Traded	Outdoor Learning Facilities (Crowden Outdoor Educational Centre)					Brochure of Traded Service	Variable
Schools Traded	Pest Control Services	64.00	64.00	0	Per hour	Brochure of Traded Service	Annual contract starts at £150 (16/17 £150)
Schools Traded	Plan Printing Service					Brochure of Traded Service	Variable dependent upon requirement
Schools Traded	Risk Management Service – requested site visit	56.00	56.00	0	Per hour	Brochure of Traded Service	Academies are charged annually according to school numbers
Schools Traded	Rockingham PDC					Brochure of Traded Service	Variable dependent upon requirement
Schools Traded	Rotherham School Improvement Service					Brochure of Traded Service	Variable dependent upon requirement
Schools Traded	Schools Loan Service – Gold Service (Library plus museum)	790.00 (plus £6.95 per pupil)	790.00 (plus £6.95 per pupil)	0	Base allocation	Brochure of Traded Service	
Schools Traded	Schools Loan Service – Library service	650.00 (plus £6.95 per pupil)	650.00 (plus £6.95 per pupil)	0	Base allocation	Brochure of Traded Service	
Schools Traded	Schools Loan Service – Museum Loans service	650.00	650.00	0	Base allocation	Brochure of Traded Service	
Schools Traded	Schools Connected IT Services and consultancy					Brochure of Traded Service	Variable dependent upon requirement
Schools Traded	Social, Mental and Mental Health Team (Behaviour Support Team)	55.00	55.00	0	Per hour	Brochure of Traded Service	Variable dependent upon requirement
Schools Traded	Speech and Language Therapy	n/a	60.00 (120.00)	n/a	Per person	Brochure of Traded Service	Different modules

	Services (new in 17/18)		bespoke school modules)				
Early Help Services	Children Missing from Education	60.00	60.00	0	Per FPN		Fixed penalty notices. Non-discretionary
Early Help Services	Adult Learning	£11.50	£12.00	£0.50	Per learner (for 2 hours)		Learner rate (full fee rate), adult learning courses. Different rates per length of course
Early Years Services	Childcare workforce						To upskill the early years and childcare workforce. Variable (to cover cost of venues, trainers etc.)

Directorate: Finance & Customer Services

Service Area	Charged for Service	Charge 2016/17	Charge 2017/18	Change in Charge 2016/17 to 2017/18	Charge Unit (E.g. Day, Hour, Session, visit, etc)	References (E.g. Cabinet Report/date, Budget Proposal Ref, etc)	Additional Information (E.g. Annual inflation increase, revised charge based on demand, legislation change, etc)
		£	£	£			
Legal Services	Legal Advice – Comprehensive Schools	350	350	0	Annual Subscriptions		Amount of schools signing up for Annual Subscriptions has reduced from 2015/16 to 16/17.
Legal Services	Legal Advice – Primary Schools	250	250	0	Annual Subscriptions		Amount of schools signing up for Annual Subscriptions has reduced from 2015/16 to 16/17.
Legal Services	Section 38 & 278 – Highways improvement	900	900	0	Per application		To be reviewed for 18/19.
Legal Service	Section 106 Planning	750 or 500	750 or 500	0	Per application		To be reviewed for 18/19.
Legal Services	Building contract work	300	300	0	Per application		To be reviewed for 18/19.
Legal Services	Legal Advice – schools/academies	58	58	0	Hourly rate		To be reviewed for 18/19.
Legal Services	Academy Conversions	58	58	0	Hourly rate		To be reviewed for 18/19.
Legal Services	Sale of Electoral registers				As prescribed		Prescribed by law as to what we can charge. Price varies on election and type of register.
Procurement	Fee for managing YorTender	5000	5000	0	Agreed annual fee		Will be reviewed for 2017/18 but will have to be taken to the Regional Group for agreement.
Internal Audit	Audit of academies	250	250	0	Daily Rate		These audits may not take place in 2017/18.

Directorate: Assistant Chief Executive

Service Area	Charged for Service	Charge 2016/17	Charge 2017/18	Change in Charge 2016/17 to 2017/18	Charge Unit (E.g. Day, Hour, Session, visit, etc)	References (E.g. Cabinet Report/date, Budget Proposal Ref, etc)	Additional Information (E.g. Annual inflation increase, revised charge based on demand, legislation change, etc)
		£	£	£			
Democratic Services	Town Hall Catering						Several different options for buffets and room hire charges.
HR & Payroll	HR Consultancy and payroll services to schools/academies					Brochure of Traded Service	Based on individual schools requirements.
HR & Payroll	Charge to SYPA for accommodation in Riverside House	6,300	6,489	189	Agreed rate		Agreed rate with Pensions Authority.
HR & Payroll	Charges to external customers for DBS checks.	12	12	0	Admin fee per application		

CAPITAL STRATEGY 2017-22

PROJECTS FOR WHICH APPROVAL IS SOUGHT

CAPITAL INVESTMENT THEMES	£000
TOWN CENTRE DEVELOPMENT	14,902
IMPROVING HIGHWAYS & INFRASTRUCTURE	75,201
HOUSING & NEIGHBOURHOODS INVESTMENT	94,472
KEY INVEST TO SAVE	14,525
BUILDINGS CRITICAL CONDITION	18,008
ICT CRITICAL CONDITION	3,435
GROWTH FUND	5,000
GRAND TOTAL	225,543

Town Centre Priorities											
Cabinet Member				Jobs and the local economy (Cllr D.Lelliott)							
Service Area				Planning, Regeneration and Transport							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Town Centre Investment		The continued regeneration of the Town Centre offer, to build upon the successes of projects like the award winning High Street redevelopment, has been identified as a key Council priority. The Council is developing a town centre master plan, which will determine which town centre projects will be brought forward as a strategic priority. However, the Council has already identified a number of key themes for the redevelopment and regeneration of the town centre, which will inform the master plan and our ambition for this Capital Strategy. These include: • Enhancements to the town centre offer, to implement the Masterplan. • Enhancements to the town centre leisure and night time offer. One of our key ambitions is to bring a cinema into Rotherham. This would bring a sea change to how the town centre is viewed, especially with associated restaurant, shop and bar developments, to revitalise the town centre in the evening, as well as improving the day time offer. • Improvements to the Transport Interchange, to address current condition and public safety issues. The aim is to create a new, brighter, safer environment and address some of the issues around CSE in and around the existing	Estimated Spend	5,202	9,300	200	200	0	14,902	£7.902m Capital Receipts
				Identified Resources	5,202	9,300	200	200	0	14,902	£7m Prudential Borrowing

Interchange.

- Development of key strategic sites, including Forge Island, Westgate, Sheffield Road and the town's water side.
- Residential Development in the town centre. A key ambition is to increase the number of residential properties in the town centre, which will complement and support our leisure and retail ambitions. Exploiting key strategic transport developments such as the tram-train and Bus Rapid Transit (BRT) North, which will improve the access between Parkgate, Rotherham and Sheffield, the Council is looking to bring derelict and vacant sites forward for use.
- **Budgets have been approved in 2016/17 for the acquisition of Forge Island - £1.751m and Riverside Precinct properties - £347k, totalling £2.098m, from the original 2016/17 allocation of £2.100m.**

Improving Highways & Infrastructure

Advisory Cabinet Member

Waste, roads and community safety (Cllr E. Hoddinott)

Service Area

Planning, Regeneration and Transport

	Scheme	Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Parkway Widening	Widening of A630 Parkway from 2 lanes to 3 from Europa Way junction to the M1. The outcome will be improved traffic movements and flows in the Sheffield-Rotherham Corridor. Approval has already been secured for the initial feasibility studies to be carried out on this scheme. The expenditure shown here is for the physical delivery of the major capital works. In October 2015 the Sheffield City Region approved the Outline Business Case for the project and recommended that it proceeds to the Detailed Business Case stage. This is expected to be submitted in May 2017. Spend has been re-profiled to reflect the DfT approval timetable.	Estimated Spend Identified Resources	0 0	0 0	10,059 10,059	18,948 18,948	13,250 13,250	42,257 42,257	£42.26m funding from SCRIF/DfT. The full revenue implications from the scheme will not be felt until 2022/23.

Improving Highways & Infrastructure											
Advisory Cabinet Member				Waste, roads and community safety (Cllr E. Hoddinott)							
Service Area				Planning, Regeneration and Transport							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Waverley Link Road		1.9km link road connecting the Waverley new community at Highfield Lane with the B6064 Furnace Lane in Woodhouse Mill. The outcome will be improved traffic flows and better access to the AMP/Waverley. Approval has already been secured for the initial feasibility studies to be carried out on this scheme. The expenditure shown here is for the physical delivery of the major capital works. The potential realignment of HS2 gives the opportunity for an improved route to be investigated. Objections to the current proposed alignment through Woodhouse Mill playing fields remain. The profiles reflect the original scheme, with the likelihood that timescales will be revised.	Estimated Spend	0	31	5,139	4,085	545	9,800	£8.8m funding from SCRIF/DfT, with £1m developer contribution.
				Identified Resources	0	31	5,139	4,085	545	9,800	The full revenue implications from the scheme will not be felt until 2022/23.

Improving Highways & Infrastructure											
Advisory Cabinet Member				Waste, roads and community safety (Cllr E. Hoddinott)							
Service Area				Community Safety and Street Scene							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Highways Improvement Plan – Unclassified Road Network		To improve the condition of the highway network and in particular the unclassified carriageway network, with the investment of £10m over five years. This project will enable the condition of the unclassified highway network to achieve national average condition, in accordance with the Council's Corporate Priority. This would build on the already approved £5m investment for 2015/16-2016/17. The outcome would be that the unclassified roads in Rotherham are at or better than the national average condition.	Estimated Spend	3,000	4,000	3,000	0	0	10,000	Planned Use of Prudential Borrowing
				Identified Resources	3,000	4,000	3,000	0	0	10,000	

Improving Highways & Infrastructure											
Advisory Cabinet Member				Waste, roads and community safety (Cllr E. Hoddinott)							
Service Area				Community Safety and Street Scene							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Capitalisation of Highways Expenditure (ASR R&E 1 & 2)		Capitalisation of Highway Maintenance Works in respect of the highway network, including all adopted roads, footpaths and verges.	Estimated Spend	650	650	150	150	150	1,750	Planned Use of Prudential Borrowing
	New Project		Capitalisation of highways revenue budget (street bollards, signs, street name plates, electrical testing and other highway amenities).	Identified Resources	650	650	150	150	150	1,750	

Improving Highways & Infrastructure											
Advisory Cabinet Member					Waste, roads and community safety (Cllr E. Hoddinott)						
Service Area					Community Safety and Street Scene / Planning, Regeneration and Transport						
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Highways LTP Maintenance Block Funding Allocation		Indicative DfT Funding allocation in respect of Highways Maintenance, covering roads, bridges, street lighting, cycleways and footways. 2017/18 funding already in the approved Capital Programme.	Estimated Spend	0	2,995	2,995	2,995	0	8,985	DfT Grant
	New Project			Identified Resources	0	2,995	2,995	2,995	0	8,985	
	Highways LTP IT Block Funding Allocation		Indicative DfT Funding allocation in respect of Integrated Transport. 2017/18 funding already in the approved Capital Programme.	Estimated Spend	0	1,134	0	0	0	1,134	DfT Grant
	New Project			Identified Resources	0	1,134	0	0	0	1,134	

Improving Highways & Infrastructure											
Advisory Cabinet Member				Waste, roads and community safety (Cllr E. Hoddinott)							
Service Area				Planning, Regeneration and Transport							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Traffic Signal Renewal Programme - Key Highway Junctions		Programme of traffic signal refurbishment on Rotherham’s classified road network over five years. These routes provide access to Rotherham’s economic centre, local connectivity and connectivity to other regional centres and the strategic highway network. Rotherham’s traffic signal installations have suffered deterioration due to lack of direct investment over many years. Ageing installations require more regular maintenance and are more likely to fail, causing traffic congestion and possible collisions. Such installations do not benefit from recent technology developments such as ‘extra low voltage’ supply and LED lights. The programme links to the corporate priority – Stimulating the local economy and helping people to work. Project has not yet commenced so the original 5 year £200k per annum has been re-profiled over 4 years.	Estimated Spend	250	250	250	250	0	1,000	Prudential borrowing required.
				Identified Resources	250	250	250	250	0	1,000	

Improving Highways & Infrastructure											
Advisory Cabinet Member				Waste, roads and community safety (Cllr E. Hoddinott)							
Service Area				Community Safety and Street Scene							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Herringthorpe Valley Flood Alleviation Scheme		This project has been identified on the EA Medium Term Plan for Flood Defence Schemes. The proposed scheme will create a flood storage area in parkland upstream of the flood risk area. Furthermore, we would explore the possibility of introducing a wetlands feature within the Council owned land, in partnership with the Council's leisure and community services. The outcome will be that 112 residential properties and 4,877m2 of non-residential property have a reduced risk of flooding. EA funding for the feasibility works is in the approved Capital Programme for 2016/17	Estimated Spend	275	0	0	0	0	275	Environment Agency 270k, 5k Prudential Borrowing
				Identified Resources	275	0	0	0	0	275	

Housing & Neighbourhoods Investment											
Advisory Cabinet Member				Housing (Cllr D. Beck)							
Service Area				Housing & Neighbourhoods Services							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources 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.	Estimated Spend	0	3,700	3,700	3,700	3,700	14,800	HRA Resources
	New Project		£3.7m in Approved Capital Programme for 2017/18.	Identified Resources	0	3,700	3,700	3,700	3,700	14,800	
	Furnished Homes Solution – Replacement Furniture		Furnished Homes service. As part of the revenue budget setting process for 2015/16, a revenue saving has been identified to capitalise spend on new furniture and white goods.	Estimated Spend	0	720	720	0	0	1,440	Prudential Borrowing
	New Project		£720k in Approved Capital Programme for 2017/18	Identified Resources	0	720	720	0	0	1,440	

Housing & Neighbourhoods Investment										
Advisory Cabinet Member				Housing (Cllr D. Beck)						
Service Area				Housing & Neighbourhoods Services						
Scheme	Brief Description	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments	
Council Housing Investment Programme	Annual Housing Investment programme to maintain decency, carry out stock improvements, aids and adaptations and new stock provision, energy efficiency and environmental works to our 21,000 Council homes.	Estimated Spend	0	28,222	22,880	22,880	0	73,982	HRA Resources, core requirements are fully funded.	
	21,000 Council homes currently meet Rotherham decent homes plus standard and we continue to improve access and reduce CO2 emissions. Future funding has been revised following the review of the HRA 30 Year Business Plan	Identified Resources	0	28,222	22,880	22,880	0	73,982		

Key Invest To Save Schemes											
Advisory Cabinet Member				Adult Social Care & Health (Cllr D Roche)							
Service Area				Adult Social Care							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Independent Living - Assistive Technology New Project		Equipment to assist in independent living, to enable people to stay in their own homes for longer. The equipment includes fall detectors and monitoring alarms. £100k already in the approved Capital Programme for 2017/18	Expenditure	350	450	450	450	450	2,150	Personal Social Services Grant
				Funding	350	450	450	450	450	2,150	
	Independent Living - Rotherham Equipment and Wheelchair Services New Project		RMBC contribution to the purchase of equipment, after occupational therapist assessment, to support people within their own homes.	Expenditure	190	190	190	190	190	950	Personal Social Services Grant
				Funding	190	190	190	190	190	950	
	Rothercare Alarms New Project		Equipment to assist in independent living, to enable people to stay in their own homes for longer. Future service provision currently being reviewed, subject to a separate report to Cabinet/ Commissioners' Decision Making Meeting	Expenditure	230	230	230	230	230	1,150	Personal Social Services Grant
				Funding	230	230	230	230	230	1,150	

Key Invest To Save Schemes											
Advisory Cabinet Member				Adult Social Care & Health (Cllr D Roche)							
Service Area				Corporate Property Unit							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Adults Community Hubs and Transitional Support Accommodation – Support for Customers with Complex Needs		Rotherham’s vision for Adult Social Care (ASC) into the future, is that customers will be equipped and supported to live independently. In addition, we will build community resilience through the use of community hubs. As the ASC programme develops, there will be a need to have an integrated approach for linking the various delivery models.	Estimated Spend	0	0	0	0	0	0	Planned Use of Prudential Borrowing
				Identified Resources	0	0	0	0	0	0	
	Intermediate Care Centre		This aspiration will need to be jointly commissioned, to ensure that it is meeting specified outcomes, future demand and demographic challenges. An integrated Intermediate Care Centre needs to be developed integrating residential beds and community based rehabilitation services. Discussions are ongoing with NHS Prop Co. in respect of the Badsley Moor Lane site. A report will follow when proposals are more clearly defined.								

Key Invest To Save Schemes											
Advisory Cabinet Member				Housing (Cllr D. Beck)							
Service Area				Housing & Neighbourhoods Services							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Extra Care Housing Scheme		To deliver a 70 bed Extra Care Housing Scheme (for older people) and provide new complementary residential housing.	Estimated Spend	0	2,000	8,000	0	0	10,000	Planned Use of Prudential Borrowing
			This project meets cross cutting objectives between Housing, Adults and Health services. Budget savings will be realised through property and service rationalisation. The proposed Extra Care development will enable older people to live independently for as long as possible. This will reduce the pressure on existing budgets, as care packages can be added flexibly as and when required, based on need.	Identified Resources	0	2,000	8,000	0	0	10,000	
			Report to follow to Cabinet /Commissioners' Decision Making Meeting.								

Key Invest To Save Schemes											
Advisory Cabinet Member				Corporate Services and Budgeting (S.Alam)							
Service Area				Finance and Customer Services							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Use of Capital Receipts to fund Revenue Transformational Expenditure		Using the Government's Capital Receipts flexibilities to fund revenue transformational expenditure. An indicative £2m per annum has been built into the revenue budget for this. The Council will seek to maximise the value of capital receipts from the sale of surplus properties.	Estimated Spend	2,000	2,000	0	0	0	4,000	Planned Use of Capital Receipts
	New Project			Identified Resources	2,000	2,000	0	0	0	4,000	

Key Invest To Save Schemes										
Advisory Cabinet Member			Jobs and the local economy (D.Lelliott)							
Service Area			Corporate Property Unit							
Scheme	Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments	
Commercial Property Estate – Capital Investment	This is a project to carry out essential repair and maintenance works to the properties within the Commercial Investment Portfolio, as an income generating asset to the Council. There is a potential risk to the public and commercial tenants from properties in poor condition, where the landlord (RMBC) is obligated to keep them in repair. At this stage the budget cost is an estimate and detailed surveys are required of the estate, to establish a schedule of works over a five year renewal programme. Separately, a Commercial Property Investment Strategy is being developed to enhance the market resilience and quality of the existing portfolio and exploit opportunities to add to it. This will be through the use of existing assets and strategic acquisitions, to support both economic growth and provide a revenue stream to the Council. This links with the £5m Property Fund. Project has not yet commenced so 2016/17 spend has been rolled into 2017/18.	Estimated Spend	275	100	75	75	0	525	Planned Use of Prudential Borrowing	
		Identified Resources	275	100	75	75	0	525		

Critical Building Condition Works											
Advisory Cabinet Member					Deputy Leader (Cllr G Watson)						
Service Area					CYPS – All Schools						
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Waverley New Primary School New Project		Provision of new primary school at Waverley to serve the needs of the new community. Proposal to establish a primary school on the site approved at the Cabinet/Commissioners Decision Making Meeting of the 11 th July 2016.	Estimated Spend	90	300	3,930	1,260	0	5,580	Funded by Section 106 contribution
				Identified Resources	90	300	3,930	1,260	0	5,580	
	Aston Academy Replacement Classrooms New Project		Provision of replacement classrooms at Aston Academy as existing classrooms have temporary planning permission and need to be replaced. Project may involve demolition of the old swimming pool on the site. Figures are worse case as permanent planning permission on the temporary classrooms will be sought in the first instance.	Estimated Spend	0	0	2,000	1,800	0	3,800	DfE Basic Need Grant
				Identified Resources	0	0	2,000	1,800	0	3,800	

Critical Building Condition Works											
Advisory Cabinet Member				Deputy Leader (Cllr G Watson)							
Service Area				CYPS – All Schools							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Rowan Centre / Riverside Primary PRU New Project		The primary aged PRU pupils are currently based at the Welcome Centre at Kimberworth. This building is changing its use and will become part of the SEND hub. The pupils will be relocated to Riverside PRU. Some alterations will be required to accommodate the pupils as it is currently for secondary aged pupils. The Rowan Centre is a designated health pupil referral unit. There is an increase in the need for places at this specialist provision. Additional external areas will be created as well as adaptations to the existing buildings to create the extra provision.	Estimated Spend	200	0	0	0	0	200	DfE School Condition Grant - £150k
				Identified Resources	200	0	0	0	0	200	Section 106 contribution - £50k
	Newman School New Project		A successful bid to the DfE’s Priority School Building Programme 2 has resulted in funding being allocated to refurbish or replace the swimming pool at Newman. The initial funding provided is to prepare a feasibility study to determine the preferred option.	Estimated Spend	45	0	0	0	0	45	DfE Priority School Building Programme
				Identified Resources	45	0	0	0	0	45	

Critical Building Condition Works											
Advisory Cabinet Member					Deputy Leader (Cllr G Watson)						
Service Area					CYPS – All Schools						
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Capitalised Minor Enhancements – Schools		Grant funded programme for minor works at schools dealing with condition and suitability issues, including extensions and refurbishment works.	Estimated Spend	0	1,400	1,000	1,000	0	3,400	DfE School Condition Grant
	New Project		2017/18 allocation already in the approved Capital Programme.	Identified Resources	0	1,400	1,000	1,000	0	3,400	
	Devolved Formula Capital Grant – Schools		Grant paid annually to schools for them to spend on small capital projects. Funding has to be spent within 3 years of receipt.	Estimated Spend	0	675	675	0	0	1,350	DfE Devolved Formula Capital Grant – Devolved to schools
	New Project		2017/18 allocation already in the approved Capital Programme.	Identified Resources	0	675	675	0	0	1,350	

Critical Building Condition Works											
Advisory Cabinet Member					Waste, roads and community safety (Cllr E. Hoddinott)						
Service Area					Community Safety and Street Scene						
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Treeton St. Helens Church Yard		Inspections have found the retaining (and other boundary) walls are at risk of collapse. The graveyard annex is dangerous for visitors and staff who maintain it, due to many of the graves sinking and the memorials collapsing. The project will rebuild all the retaining walls to the relevant standards and stabilise the retained land and the individual graves. This will either require the exhumation of a large number of graves or the purchase of a strip of land in the gardens of private properties below the grave site.	Estimated Spend	450	0	0	0	0	450	Planned Use of Prudential Borrowing
				Identified Resources	450	0	0	0	0	450	

Critical Building Condition Works

Advisory Cabinet Member

Jobs and the local economy (D.Lelliott)

Service Area

Corporate Property Unit

	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Operational Buildings Capital Investment		The aim of this project is to allow RMBC to catch up on backlog maintenance on its operational estate. To ensure the Council has an effective, good condition estate that is suitable for the services provided by the Council. The programme of works will help reduce revenue maintenance costs, however, it will require significant support from Services to establish a prioritisation of work and a clear asset management plan. Lack of investment in the estate will create health and safety issues and potential reputational risk and potential service delivery failure. It is important to note that the expenditure profile shown is based on a do-minimum option, covering the costs of maintenance to ensure the buildings remain functional.	Estimated Spend	861	587	976	549	0	2,973	Planned Use of Prudential Borrowing
				Identified Resources	861	587	976	549	0	2,973	

Critical Building Condition Works

Advisory Cabinet Member				Jobs and the local economy (D.Lelliott)							
Service Area				Corporate Property Unit							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Centenary Markets – Emergency Lighting System / High Level Maintenance / Drainage and Guttering		High Level cleaning and maintenance / decoration. The high level areas require specialist equipment and suppliers to carry out this task. The area is covered with dirty pigeon droppings etc. and requires maintenance. There is a risk to the public. The drainage and gutters to the building are leaking in a number of places and require a full overhaul. As a result of the leaks, further damage to other areas and the fabric of the market are becoming an increasing problem. This results in increased repair expenditure and potential effects on the market traders, customers and Council's reputation.	Estimated Spend	210	0	0	0	0	210	Planned Use of Prudential Borrowing
				Identified Resources	210	0	0	0	0	210	

Critical ICT Infrastructure Works

Advisory Cabinet Member

Corporate Services and Budgeting (S.Alam)

Customer, Information and Digital Services

	Scheme	Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Computer Refresh – Laptop, desktop and tablet replacement	Over 50% of the current laptop device estate is over 6 years old. These devices are out of warranty and are breaking down more, leading to an increase in IT support costs. They are not capable of running the latest business systems, which is causing performance and efficiency problems for staff. The IT asset policy requires that devices are replaced every 4 years. The proposal is to continue the existing do minimum replacement rolling programme. There is an existing capital approval of £910,000 for 2016/17 already included within the Capital Programme.	Estimated Spend	475	275	760	910	0	2,420	Planned Use of Capital Receipts

Critical ICT Infrastructure Works											
Advisory Cabinet Member				Corporate Services and Budgeting (S.Alam)							
Service Area				Customer, Information and Digital Services							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Replacement of Server Equipment		Replacement of end-of life and non-compliant IT server equipment. Servers will need to be replaced, and where possible movements away from physical infrastructure implemented, with associated system changes to comply with PSN obligations. Failure to do this work will expose us to security and performance risks and will preclude us from gaining an accreditation to the PSN. Services using the PSN, such as Revs & Bens and registrars, will be disconnected. RMBC’s reputation for security will be damaged and networking failures will increase. There is an existing capital approval of £145,000 for 2016/17 already included within the Capital Programme.	Estimated Spend	153	60	267	235	0	715	Planned Use of Capital Receipts
				Identified Resources	153	60	267	235	0	715	
	Storage Area Network- Replacement		The SAN is an IT system where most of RMBC’s data is securely held. This includes system and application data. The hardware is reaching the point where it becomes obsolete and the underlying operating system software will no longer be supported, thus exposing us to security and compliance failures. In addition, the SAN is projected to be at capacity by 2017, and there is no cost effective upgrade path with the existing hardware. We have a statutory responsibility to provide a secure environment for our data. Failure to do this work will preclude us from gaining an accreditation to the PSN.	Estimated Spend	300	0	0	0	0	300	Planned Use of Capital Receipts
				Identified Resources	300	0	0	0	0	300	

Growth Fund											
Advisory Cabinet Member					Jobs and the local economy (D.Lelliott)						
Service Area					Corporate Property Unit						
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Growth Fund		Economic Development / Growth Fund - To provide a fund to pump prime capital developments, which can be shown to deliver jobs and business rates to the Borough. Awards would be loans, or purchases with quick sell on or a guaranteed income stream; so Fund will be revolving. Barnsley have set up similar with a starting pot of £1.9m. Outputs/Outcomes: -Provision of more sites and buildings for economic growth. -Increased business rates -Increased employment for local residents	Estimated Spend	5,000	0	0	0	0	5,000	Planned Use of Prudential Borrowing
				Identified Resources	5,000	0	0	0	0	5,000	

CAPITAL STRATEGY 2017-22

PROJECTS FOR WHICH APPROVAL IS SOUGHT

Capital Investment Themes	£000	Grant & Contributions	HRA Resources	Prudential Borrowing	Revenue Contribution to Capital Outlay	Usable Capital Receipts
Town Centre Development	14,902			7,000		7,902
Improving Highways & Infrastructure	75,201	62,446		12,755		
Housing & Neighbourhoods Investment	94,472	4,250	88,782	1,440		
Key Invest To Save	14,525			10,525		4,000
Buildings Critical Condition	18,008	14,375		3,633		
ICT Critical Condition	3,435					3,435
Growth Fund	5,000			5,000		
Grand Total	225,543	81,071	88,782	40,353		15,337

DEVELOPMENT POOL SCHEMES:

Development pool schemes have been recognised as being something the Council wishes to consider for future capital investment but at this point they are not ready to be brought forward for approval. The reason they are not ready for approval will be due to funding availability or strategic approval (i.e. inclusion within the Council's Growth Plan, Town Centre Masterplan or Asset Management Strategies). A vital part of this stage are the projects which have been put forward for funding approval from the Sheffield City Region.

At this point in the development process a number of these schemes do not have expenditure and resource details.

PROGRAMME AREA	TOTAL EXPENDITURE £000
CRITICAL BUILDING CONDITION WORKS	0
HIGHWAYS	4,000
ECONOMIC GROWTH PROJECTS	20,200
TOTAL CAPITAL PROGRAMME	24,200

Highways Schemes											
Advisory Cabinet Member				Waste, roads and community safety (Cllr E. Hoddinott)							
Service Area				Community Safety and Street Scene							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Crinoline Bridge		The scheme comprises the refurbishment of Crinoline Bridge which carries the A630 Centenary Way, a section of Rotherham's inner bypass, over the River Don. Over the past 20 years severe leakage of the bridge joints has allowed chloride salts to penetrate and attack the concrete bearing shelves, abutments and pier. A full refurbishment of Crinoline Bridge, will address the current condition of the structure and ensure that this major route is not subject to disruption due to restrictions or closure.	Estimated Spend	0	700	3,300	0	0	4,000	DfT special grants will be sought if opportunities arise. No opportunity is expected before 2018/19, and works will require PB if scheme is to be completed before then.
				Identified Resources	0	0	0	0	0	0	
				Shortfall	0	700	3,300	0	0	4,000	

Economic Growth Projects											
Advisory Cabinet Member				Jobs and the local economy (D.Lelliott)							
Service Area				Planning, Regeneration and Transport							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	New Rotherham Mainline Railway Station		Provision of a new railway station to enable mainline passenger services to serve the Rotherham Central Urban Area. Funding will enable the construction of a new railway station; The only realistic location for an additional mainline station is Parkgate, adjacent to the large development site next to Parkgate Shopping. In conjunction with the Tram-Train link to the Town Centre the new station could provide a park and ride site that would serve much of Rotherham's urban area. Economic agglomeration benefits resulting in an annual GDP uplift of £26m. Direct access to 6 of the UK's top 10 Cities. This is in line with the aims of the Growth Plan and would increase the number of new businesses starting up in the borough, grow existing businesses and attract new businesses to locate and invest in the borough.	Estimated Spend	100	7,500	7,500	0	0	15,100	Developer contributions will be considered as will the potential for DfT / SCR funding contributions. At this time as these are unsecured RMBC prudential borrowing will be required.
				Identified Resources	0	0	0	0	0	0	
				Shortfall	50	50	7,500	7,500	0	15,100	

Advisory Cabinet Member				Jobs and the local economy (D.Lelliott)						
Service Area				Planning, Regeneration and Transport						
Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
Advanced Manufacturing Innovation District (AMID)		The AMID brings together Universities, Local Authorities and the private sector around a 2,000 acre centre of excellence in metals and materials manufacturing, spanning the Rotherham-Sheffield border to accelerate and enhance the growth potential of business encompassing design, technical services, professional services and distribution across the whole of the SCR. AMID builds on the research and innovation capacity of the Advanced Manufacturing Park (AMP). It is a flagship project for the Northern Powerhouse and is specifically referenced in the Devolution Deal. AMID will transform business and investor perceptions of the SCR as a place to invest where world-leading innovation is driving an advanced economy. We will master plan the area between the AMP and the town centre; and deliver strategic interventions to connect the town centre and Templeborough with the AMID core. This will address the need to expand the core within the next 5 years and unlock the potential for up to 6,000 homes in and around the town centre creating a place for people to work, live and spend their leisure time. Within the AMID Magna is seen by the Council as a key site, as a conference and events space within the Sheffield City Region.	Estimated Spend	0	0	0	0	0	0	
			Identified Resources	0	0	0	0	0	0	
			Shortfall	0	0	0	0	0	0	

Economic Growth Projects											
Advisory Cabinet Member				Jobs and the local economy (D.Lelliott)							
Service Area				Planning, Regeneration and Transport							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Todwick North Development Site		30 hectare site proposed for economic development in the emerging Local Plan. The site is intended to attract major inward investment by accommodating one or more large users or through the development of smaller plots, which will comprise a high quality business park. The site will be delivered by the private sector, however the Council may wish to consider any assistance which enables the site to come forward, or reduces the risk of non-delivery. Outputs/Outcomes Provision of more sites and buildings for economic growth. Increased business rates and increased employment for local residents The current timetable is that the plan is adopted in late 2017 so that the site would be allocated for development and removed from the green belt. The site would then go through the planning process, with infrastructure enabling works following. On this basis development would start in 2018/19 at the earliest.	Estimated Spend	0	0	0	0	0	0	
				Identified Resources	0	0	0	0	0	0	
				Shortfall	0	0	0	0	0	0	

Economic Growth Projects											
Advisory Cabinet Member				Jobs and the local economy (D.Lelliott)							
Service Area				Planning, Regeneration and Transport							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	Cumwell Lane (Hellaby) Development Site		16 hectare site proposed for economic development in the emerging Local Plan.	Estimated Spend	0	0	0	0	0	0	
			The site will be delivered by the private sector; however the Council may wish to consider any assistance which enables the site to come forward, or reduce the risks of non-delivery.	Identified Resources	0	0	0	0	0	0	
			Outputs/Outcomes Provision of more sites and buildings for economic growth. Increased business rates and increased employment for local residents. The current timetable is that the plan is adopted in early 2017 so that the site would be allocated for development and removed from the green belt. The site would then go through the planning process, with infrastructure enabling works following. On this basis development would start in 2018/19 at the earliest.	Shortfall	0	0	0	0	0	0	

Economic Growth Projects											
Advisory Cabinet Member				Jobs and the local economy (D.Lelliott)							
Service Area				Planning, Regeneration and Transport							
	Scheme		Brief Description including proposed outcomes and outputs	Est. Spend / Resources / Shortfall	17/18	18/19	19/20	20/21	21/22	Total	Resources Comments
	New Incubation Centre (Successful Centres) - Hellaby/Maltby		Rotherham Investment and Development Office would like to add a 5th Incubation Centre to their existing portfolio of successful Centres. The ideal location would be around the M18, Hellaby/Maltby area. This particular area has been selected due to the popularity of the Matrix@Dinnington Business Centre which is currently 100% occupied. A number of enquiries have been from start-up/early stage companies showing an interest in starting a business in this area. The current successful business incubation model will be used in a new development which would be a 30,000 sq. ft. Centre (lettable target 70%). A mixture of both office and workshop space offering approximately 45 – 50 units, split 60/40 office/workshop space. The new centre will also provide co-working space, a new resource to the existing RIDO Business Centres operation. Estimated costs in the region of £5.1million (providing there is no issues with the land).A new facility would assist in the creation of new start-up businesses and employment opportunities in the Rotherham, Sheffield City Region area.	Estimated Spend	0	2,000	3,100	0	0	5,100	
				Identified Resources	0	0	0	0	0	0	
				Shortfall	0	2,000	3,100	0	0	5,100	

Capital Cabinet Report

Expenditure:
Capital Strategy 2016 - 2022 (Detail by Project)

APPENDIX 3 B

Directorate	Service	Service Area	Sub Service	Current Year			Capital Strategy						Total			
				Budget	Forecast		2017/18	2018/19	2019/20	2020/21	2021/22			Budget		
							Budget	Budget	Budget	Budget	Budget					
Adult Care & Housing	Neighbourhood Capital Programm	Improving Council Housing & Ho	IHMS (IT System)	282,804	282,804		225,275	0	0	0	0		225,275			
			Asbestos	370,000	370,000		400,000	0	0	0	0		400,000			
			Electrical Board & Bond	152,067	132,850		0	0	0	0	0	0		0		
			New Build DPU Bungalows	496,028	493,772		0	0	0	0	0	0		0		
			Environmental Programme	779,497	779,321		800,000	0	0	0	0	0		800,000		
			Refurbishments	8,966,110	8,966,109		7,850,000	0	0	0	0	0		7,850,000		
			Community Safety HRA	30,000	30,000		0	0	0	0	0	0		0		
			District Heating	1,000,000	776,479		500,000	0	0	0	0	0		500,000		
			Non-Trad Investment	250,905	250,905		0	0	0	0	0	0		0		
			Land Enabling/Acquisitions	2,561,766	2,513,070		7,498,234	0	0	0	0	0		7,498,234		
			Replacement of Central Heating	2,750,000	2,925,355		2,500,000	0	0	0	0	0		2,500,000		
			Replacement of Communal Doors	193,862	193,862		0	0	0	0	0	0		0		
			External Insulation	250,000	70,000		500,000	0	0	0	0	0		500,000		
			Decent Homes Voids Prog	3,400,000	3,400,000		2,800,000	0	0	0	0	0		2,800,000		
			Sheltered Housing Communal Are	677,000	687,000		750,000	0	0	0	0	0		750,000		
			General Structures	720,000	720,000		750,000	0	0	0	0	0		750,000		
			Garage Site Investment	250,000	323,414		250,000	0	0	0	0	0		250,000		
			Beeversleigh	1,700,000	1,728,000		0	0	0	0	0	0		0		
			Total	24,830,039	24,642,941		24,823,509	0	0	0	0	0		24,823,509		
			Neighbourood Regeneration & Re	Affordable Housing	167,156	167,156		0	0	0	0	0	0		0	
		Bellows Road		200,000	140,000		60,000	0	0	0	0	0		60,000		
		Area Assembly CPTL		140,000	0		0	0	0	0	0	0		0		
		Monksbridge Demolition		72,000	0		72,000	0	0	0	0	0		72,000		
		Canklow Clearance		211,000	211,000		0	0	0	0	0	0		0		
		Total		790,156	518,156		132,000	0	0	0	0	0		132,000		
		Aids and Adaptations (Public S		2,100,000	1,664,558		1,800,000	0	0	0	0	0		1,800,000		
		Aids and Adaptations (Private		2,100,000	1,632,282		1,900,000	0	0	0	0	0		1,900,000		
		Total	4,200,000	3,296,840		3,700,000	0	0	0	0	0		3,700,000			
		Total	29,820,195	28,457,937		28,655,509	0	0	0	0	0		28,655,509			
		Neighbourhood Improvements - N	Neighbourhood Improvements Non	Fuel Poverty Vulnerable People	273,754	273,754		0	0	0	0	0	0		0	
				Furnished Homes CPTL	960,000	1,074,790		720,000	0	0	0	0	0		720,000	
				Total	1,233,754	1,348,544		720,000	0	0	0	0	0		720,000	
			Total	1,233,754	1,348,544		720,000	0	0	0	0	0		720,000		
			Adult Services	Adult Services	REWS Equipment	190,000	190,000		0	0	0	0	0	0		0
		Rothercare Alarms			6,007	6,007		0	0	0	0	0	0		0	
		Assistive Technology			450,000	350,000		100,000	0	0	0	0	0		100,000	
		Total			646,007	546,007		100,000	0	0	0	0	0		100,000	
		Total		646,007	546,007		100,000	0	0	0	0	0		100,000		
		Total	31,699,956	30,352,488		29,475,509	0	0	0	0	0		29,475,509			
		Regeneration & Environment	Community Safety &Street Scene	Network Management	Street Lighting	1,388,201	1,429,688		876,000	870,000	172,759	0	0		1,918,759	
					Drainage	1,788,615	400,983		1,417,632	0	0	0	0	0		1,417,632
					Highways Delivery	5,883,020	5,883,020		2,956,000	0	0	0	0	0		2,956,000
					Total	9,059,836	7,713,691		5,249,632	870,000	172,759	0	0		6,292,391	
				Safer Neighbourhoods	Safer Neighbourhoods	77,631	77,631		0	0	0	0	0	0		0
					Total	77,631	77,631		0	0	0	0	0	0		0
				Street Scene Services	Waste Management	150,775	150,775		150,775	150,775	150,775	150,775	150,775	150,775		753,875
Total	150,775				150,775		150,775	150,775	150,775	150,775	150,775	150,775		753,875		
Total	9,288,242			7,942,097		5,400,407	1,020,775	323,534	150,775	150,775	150,775		7,046,266			
Planning, Regen & Transport	Transportation & Highways			Sustainable Tran Exemplar Prog	1,232,000	750,000		714,000	0	0	0	0	0		714,000	
			Local Safety Schemes	525,000	525,000		350,000	0	0	0	0	0		350,000		
			Connectivity	795,000	795,000		430,000	0	0	0	0	0		430,000		
			Bridges	624,795	686,000		488,999	0	0	0	0	0		488,999		
			Network Management	400,000	400,000		420,000	0	0	0	0	0		420,000		
			LSTF & Smarter Choices	60,000	60,000		25,000	0	0	0	0	0		25,000		
			Major Schemes	1,536,052	1,529,983		1,223,000	983,677	296,581	0	0	0		2,503,258		
			Total	5,172,847	4,745,983		3,650,999	983,677	296,581	0	0	0		4,931,257		
	Regen		Physical Regeneration	1,757,000	1,753,500		0	0	0	0	0	0		0		
			Total	1,757,000	1,753,500		0	0	0	0	0	0		0		
	Corp Property Unit		Corporate Property Cap Proj	807,419	849,361		0	0	0	0	0	0		0		
			Total	807,419	849,361		0	0	0	0	0	0		0		
	Business Retail & Investment		Investment	76,866	76,866		0	0	0	0	0	0		0		
			Total	76,866	76,866		0	0	0	0	0	0		0		
	Total		7,814,132	7,425,710		3,650,999	983,677	296,581	0	0	0		4,931,257			
Culture, Sport & Tourism	Cultural Heritage & Sports		Libraries	576,954	576,954		0	0	0	0	0	0		0		
			Total	576,954	576,954		0	0	0	0	0	0		0		
	Leisure & Community Service		Green Spaces	200,684	132,154		68,530	0	0	0	0	0		68,530		
			Total	200,684	132,154		68,530	0	0	0	0	0		68,530		
	Total		777,638	709,108		68,530	0	0	0	0	0		68,530			
Total	17,880,012		16,076,915		9,119,936	2,004,452	620,115	150,775	150,775	150,775		12,046,053				
Finance & Customer Services	ICT		ICT 2	ICT 2	2,422,225	2,264,345		652,775	0	0	0	0		652,775		
		Total		2,422,225	2,264,345		652,775	0	0	0	0	0		652,775		
		ICT 1	ICT1 - Main	16,814	16,814		0	0	0	0	0	0		0		
			Total	16,814	16,814		0	0	0	0	0	0		0		
		ICT Refresh	ICT Refresh	1,089,000	1,089,000		55,000	227,000	832,000	630,000	0		1,744,000			
			Total	1,089,000	1,089,000		55,000	227,000	832,000	630,000	0		1,744,000			
		Total	3,528,039	3,370,159		707,775	227,000	832,000	630,000	0		2,396,775				
Total	3,528,039	3,370,159		707,775	227,000	832,000	630,000	0		2,396,775						
Children & Young Peoples Serv	CYPS - RMBC	Schools	Schools - Secs - Major	41,238	41,238		2,500,000	0	0	0	0		2,500,000			
			Schools - Prims - Major	2,126,160	2,311,002		2,333,000	650,000	0	0	0		2,983,000			
			Schools - PRUs	500,000	496,929		0	0	0	0	0	0		0		
			Schools PFI Life Cycle Program	1,660,000	1,660,000		1,577,000	0	0	0	0		1,577,000			
			Schools - Capitalised Enh	1,800,000	1,800,000		1,700,000	0	0	0	0		1,700,000			
			Schools - Spcls - Major	500,000	500,000		0	0	0	0	0	0		0		
			Total	6,627,398	6,809,169		8,110,000	650,000	0	0	0	0		8,760,000		
			Other CYPS	Children & Families	1,031,210	557,210		1,480,803	0	0	0	0	0		1,480,803	
		Kitchens - Schools		115,000	113,086		0	0	0	0	0	0		0		
		Total	1,146,210	670,296		1,480,803	0	0	0	0	0		1,480,803			
		Total	7,773,608	7,479,465		9,590,803	0	0	0	0	0		9,590,803			
		DFC	DFC - RMBC	DFC - RMBC all	537,528	537,528		538,000	0	0	0	0	0		538,000	
				Total	537,528	537,528		538,000	0	0	0	0	0		538,000	
			Total	537,528	537,528		538,000	0	0	0	0	0		538,000		
		Total	8,311,136	8,016,993		10,128,803	650,000	0	0	0	0		10,778,803			
		Total				61,419,143	57,816,556		49,432,023	2,881,452	1,452,115	780,775	150,775		54,697,140	

Funding:

Funding Stream				Current Year			Capital Strategy					Total Budget
							2017/18		2018/19	2019/20	2020/21	
Budget	Forecast	Budget	Budget	Budget	Budget							
Adult Care & Housing	Funding Analysis	Capital Monitoring Funding	Grants And Contributions	2,664,188	2,493,688	1,172,000	0	0	0	0	1,172,000	
			Major Repairs Allowance	21,050,352	20,748,379	15,473,509	0	0	0	0	15,473,509	
			Prudential Borrowing	1,100,000	1,074,790	720,000	0	0	0	0	720,000	
			Revenue Contribution	5,465,685	5,143,618	11,150,000	0	0	0	0	11,150,000	
			Usable Capital Receipts	1,419,731	892,013	960,000	0	0	0	0	960,000	
			Total	31,699,956	30,352,488	29,475,509	0	0	0	0	29,475,509	
	Children & Young Peoples Serv	Funding Analysis	Capital Monitoring Funding	Grants And Contributions	5,877,136	6,056,993	7,194,313	650,000	0	0	0	7,844,313
			Prudential Borrowing	2,434,000	1,960,000	2,934,490	0	0	0	0	2,934,490	
		Total	8,311,136	8,016,993	10,128,803	650,000	0	0	0	10,778,803		

Finance & Customer Services	Funding Analysis	Capital Monitoring Funding	Grants And Contributions	16,814	16,814	0	0	0	0	0	0
			Prudential Borrowing	2,892,225	2,734,345	652,775	0	0	0	0	652,775
			Usable Capital Receipts	619,000	619,000	55,000	227,000	832,000	630,000	0	1,744,000
			Total	3,528,039	3,370,159	707,775	227,000	832,000	630,000	0	2,396,775
	Regeneration & Environment	Funding Analysis	Capital Monitoring Funding	Grants And Contributions	8,418,745	8,029,060	5,720,529	188,000	172,759	0	0
Prudential Borrowing				6,721,267	6,296,855	2,410,407	1,816,452	447,356	150,775	150,775	4,975,765
Usable Capital Receipts				2,740,000	1,751,000	989,000	0	0	0	0	989,000
Total				17,880,012	16,076,915	9,119,936	2,004,452	620,115	150,775	150,775	12,046,053
Total			61,419,143	57,816,555	49,432,023	2,881,452	1,452,115	780,775	150,775	54,697,140	

New Projects / Extended Allocations

Directorate	Service	Service Area / Theme	Sub Service / Scheme		Capital Strategy						Total
					2017/18	2018/19	2019/20	2020/21	2021/22		
					Budget	Budget	Budget	Budget	Budget		Budget
Adult Care & Housing	Housing & Neighbourhood Services	Housing & Neighbourhood Investments	Fair Access for All - Aids and Adaptations	-	3,700,000	3,700,000	3,700,000	3,700,000	14,800,000		
			Furnished Homes Solution - Replacement Furniture	-	720,000	720,000	-	-	1,440,000		
			Council Housing Investment Programme	-	28,222,000	22,880,000	22,880,000	-	73,982,000		
	Adult Social Care	Key Invest to To Save Schemes	Independent Living - Assistive Technology	350,000	450,000	450,000	450,000	450,000	2,150,000		
			Independent Living - Rotherham Equipment and Wheelchair Services	190,000	190,000	190,000	190,000	190,000	950,000		
			Rothercare Alarms	230,000	230,000	230,000	230,000	230,000	1,150,000		
	Housing & Neighbourhood Services		Extra Care Housing Scheme	-	2,000,000	8,000,000	-	-	10,000,000		
				5,202,000	9,300,000	200,000	200,000	-	14,902,000		
	Regeneration & Environment	Planning, Regen & Transport	Town Centre Priorities	Town Centre Investment	-	-	10,059,000	18,948,000	13,250,000	42,257,000	
			Improving Highways & Infrastructure	Parkway Widening	-	31,000	5,139,000	4,085,000	545,000	9,800,000	
Waverley Link Road				-	1,134,000	-	-	-	1,134,000		
Highways LTP Block Funding				-	250,000	250,000	250,000	-	1,000,000		
Traffic Signal Renewal Programme				250,000	250,000	250,000	250,000	-	1,000,000		
Community Safety and Street Scene		Highways Improvement Plan - Unclassified Road Network	3,000,000	4,000,000	3,000,000	-	-	10,000,000			
		Capitalisation of Highways Expenditure (ASR R&E 1 & 2)	650,000	650,000	150,000	150,000	150,000	1,750,000			
		Highways LTP Maintenance Block Funding Allocation	-	2,995,000	2,995,000	2,995,000	-	8,985,000			
		Herringthorpe Valley Flood Alleviation Scheme	275,000	-	-	-	-	275,000			
		Corporate Property Unit	Key Invest to To Save Schemes	Commercial Porperty Estate - Capital Investment	275,000	100,000	75,000	75,000	-	525,000	
Community Safety and Street Scene		Critical Building Condition Work	Treetomn St. Helens Church Yard	450,000	-	-	-	-	450,000		
Corporate Property Unit			Operational Buildings Capital Investment	861,000	587,000	976,000	549,000	-	2,973,000		
			Centenary Markets - Emergency Lighting System / High Level Maintenance / Drainage and Guttering	210,000	-	-	-	-	210,000		
		Growth Development Fund	Growth Fund	5,000,000	-	-	-	-	5,000,000		
Finance & Customer Services		Finance & Customer Services	Key Invest to To Save Schemes	Use of Capital Receipts to fund Revenue Transformational Expenditure	2,000,000	2,000,000	-	-	-	4,000,000	
		Customer, Information & Digital Services	Critical ICT Infrastructure Works	Computer Refresh - Laptop, Desktop, and Tablet replacement	475,000	275,000	760,000	910,000	-	2,420,000	
				Replacement of Server Equipment	153,000	60,000	267,000	235,000	-	715,000	
	Storage Area Network- Replacement			300,000	-	-	-	-	300,000		
	Children & Young Peoples Services	CYPS - All Schools	Critical Building Condition Work	Waverley New Primary School	90,000	300,000	3,930,000	1,260,000	-	5,580,000	
Aston Academy Replacement Classrooms				-	-	2,000,000	1,800,000	-	3,800,000		
Rowan Centre / Riverside Primary				200,000	-	-	-	-	200,000		
Newman School				45,000	-	-	-	-	45,000		
Capitalised Minor Enhancements - Schools				-	1,400,000	1,000,000	1,000,000	-	3,400,000		
Devolved Formula Capital Grant - Schools				-	675,000	675,000	-	-	1,350,000		
				-	675,000	675,000	-	-	1,350,000		
Total				-	20,206,000	59,269,000	67,646,000	59,907,000	18,515,000	-	225,543,000

Funding Stream						Capital Strategy						Total
						2017/18	2018/19	2019/20	2020/21	2021/22		
						Budget	Budget	Budget	Budget	Budget		Budget
			Grants And Contributions			1,375,000	7,405,000	26,668,000	30,958,000	14,665,000		81,071,000
			HRA Resources			0	31,922,000	26,580,000	26,580,000	3,700,000		88,782,000
			Prudential Borrowing			10,701,000	14,907,000	13,371,000	1,224,000	150,000		40,353,000
			Usable Capital Receipts			8,130,000	5,035,000	1,027,000	1,145,000	0		15,337,000
Total						20,206,000	59,269,000	67,646,000	59,907,000	18,515,000		225,543,000

Total Capital Programme ##### ##### ##### ##### 18,665,775 280,240,140

Development Pool

Directorate	Service	Service Area / Theme	Sub Service / Scheme										Total
							2017/18	2018/19	2019/20	2020/21	2021/22		
Regeneration & Environment	Community Safety and Street Scene	Highways Schemes	Crinoline Bridge				0	700,000	3,300,000	0	0		4,000,000
	Planning, Regeneration & Transport	Economic Growth Projects	New Rotherham Mainline Railway Station			100,000	7,500,000	7,500,000	0	0		15,100,000	
			Advanced Manufacturing Innovation District (AMID)		0	0	0	0	0	0	0		
			Todwick North Development Site		0	0	0	0	0	0	0		
			Cumwell Lane (Hellaby) Development Site		0	0	0	0	0	0	0		
			New Incubation Centre (Succesful Centres) - Hellaby/Maltby		0	2,000,000	3,100,000	0	0		5,100,000		
					0	2,000,000	3,100,000	0	0		5,100,000		
	Total					100,000	10,200,000	13,900,000	-	-		24,200,000	

TREASURY MANAGEMENT MATTERS

APPENDIX 4

1. Background Information

- 1.1 The Local Government Act 2003 and supporting regulations require the Council to 'have regard to' the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice and prepare, set and publish prudential indicators and treasury indicators that ensure the Council's capital expenditure plans and affordable, prudent and sustainable in the long-term.
- 1.2 The prudential indicators consider the affordability and impact of capital expenditure plans, and set out the Council's overall capital framework. Each prudential indicator either summarises the expected activity or introduces limits upon the activity, and reflects the underlying capital programme.
- 1.3 The Prudential Indicators and Treasury Management Strategy together form part of the process which ensures the Council meets the balanced budget requirement under the Local Government Finance Act 1992. It is a statutory requirement under Section 33, revised under Section 31 of the Localism Bill 2011, for the Council to produce a **balanced budget**. In particular, Section 31 requires the Council to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions.
- 1.4 This, therefore, means that increases in capital expenditure must be limited to a level whereby charges to revenue are also limited to a level which is affordable within the projected income of the Council for the foreseeable future. These increased charges may arise from:
 - increases in interest charges and debt repayment caused by increased borrowing to finance additional capital expenditure; and
 - any increases in operational running costs from new capital projects.
- 1.5 Treasury management is, therefore, an important part of the overall financial management of the Council's affairs and is defined as:

"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.6 Specific treasury indicators are prepared and included in the Treasury Management Strategy which requires Member approval.
- 1.7 The Council's treasury activities are strictly regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management – revised November 2009). The Council adopted the Code of Practice on Treasury Management (Cabinet, March 2004) and adopted the revisions to the Code in March 2010.
- 1.8 The Council's constitution (via Financial Regulations) requires the annual Treasury Management Strategy to be reported to Council outlining the expected treasury activity for the forthcoming 3 years. A key requirement of this document

is to explain both the risks, and the management of the risks, associated with the treasury service. As a minimum a mid-year monitoring report is produced with a further report produced after the year-end to report on actual activity for the year.

- 1.9 Reports on Treasury matters are also required to be adequately scrutinised before being recommended to the Council and this role is undertaken by Audit Committee.

2. The Council's Approach to Treasury Management

- 2.1 This paper sets out the proposed Treasury Management Strategy Statement and Borrowing Limits for 2017/18 and Prudential Indicators for 2017/18 to 2019/20 and has been presented to Audit Committee in furtherance of its delegated role of scrutiny on Treasury matters, including the Treasury Management Strategy (Section 3.5) and related policies.

Albeit a technical and complex report the key messages are:

- a. Investments – the primary governing principle will remain **security** over return and the criteria for selecting counterparties reflect this. Cash available for investment will remain low, resulting in low returns;
 - b. Borrowing – overall, this is estimated to year on year increase over the period covered by this report as the Council plans to incrementally reduce its under-borrowing position as part of managing its daily and long term liquidity position. New borrowing will only be taken up as current portfolio debt matures and where approved capital investment is to be financed by borrowing; and,
 - c. Governance – strategies are reviewed by the Audit Committee with continuous monitoring which includes Mid-Year and Year End reporting.
- 2.2 Section 3.1 to 3.4 of this paper details the key elements of the Council's Capital Expenditure Plans and associated Prudential Indicators. The Treasury Management Strategy (including the Investment Strategy) is detailed in Section 3.5 with supporting detail provided in annexes A to D to this paper.
 - 2.3 The Treasury Management Strategy has been drawn up in association with the Council's treasury management advisors, Capita Asset Services, part of The Capita Group plc.

3. Capital Expenditure Plans & Prudential Indicators 2016/17 (Revised) to 2019/20

3.1 The Council's Capital Expenditure Plans

- 3.1.1 The Council's capital expenditure plans are summarised below and form the first of the prudential indicators. A certain level of capital expenditure is grant supported by the Government; any decisions by the Council to spend above this level will be considered unsupported capital expenditure. This unsupported capital expenditure needs to have regard to:

- Service objectives (e.g. strategic planning);
- Stewardship of assets (e.g. asset management planning);
- Value for money (e.g. option appraisal)
- Prudence and sustainability (e.g. implications for external borrowing and whole life costing);
- Affordability (e.g. implications for the council tax and rents)
- Practicality (e.g. the achievability of the forward plan).

3.1.2 The revenue consequences of capital expenditure, particularly the unsupported expenditure, will need to be paid for from the Council's own revenue resources.

3.1.3 The capital expenditure can be paid for immediately (by applying capital resources such as capital receipts, capital grants etc., or revenue resources), but if these resources are insufficient any residual expenditure will add to the Council's borrowing need.

3.1.4 The key risks to the plans are that the level of Government support has been estimated and is therefore subject to change. Similarly some of estimates for other sources of funding, such as capital receipts, may also be subject to change over this timescale. For example, anticipated asset sales resulting from the Council's on-going asset rationalisation programme may be deferred due to the on-going impact of the current economic & financial conditions on the property market.

3.1.5 The revised capital expenditure plans in the updated Capital Strategy and Capital Programme are summarised in the table below.

3.1.6 It should be noted, that these represent the capital investment forecasts under traditional forms of financing and exclude assets acquired under PFI and finance lease arrangements which are a type of borrowing but which are budgeted for separately outside of the capital financing budget.

	2016/17 Revised £m	2017/18 Estimated £m	2018/19 Estimated £m	2019/20 Estimated £m
Adult Care & Housing – Non HRA	3.526	3.489	5.490	11.490
Children & Young People's Services	8.017	10.464	3.025	7.605
Regeneration & Environment	16.077	25.293	21.051	23.464
Finance & Customer Services	3.370	3.636	2.562	1.859
Total Non HRA	30.990	42.882	32.128	44.418
HRA	26.826	26.756	30.022	24.680
Total HRA	26.826	26.756	30.022	24.680
Total expenditure	57.816	69.638	62.150	69.098
Capital receipts	3.262	10.134	5.262	1.859
Capital grants, capital contributions & sources other capital funding	42.488	42.085	40.165	53.421
Total financing	45.750	52.219	45.427	55.280
Prudential borrowing requirement for the year	12.066	17.419	16.723	13.818

3.2 The Capital Financing Requirement (the Council's Prudential borrowing need)

3.2.1 The Council's Capital Financing Requirement (CFR) is the total outstanding capital expenditure which has not yet been financed from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need.

3.2.2 As can be seen in the table in 3.1.6 above, the latest revised estimated prudential borrowing requirement over the period 2016/17 to 2019/20 based on the updated Capital Strategy and Capital Programme is £60.026m. This will add to the CFR.

3.2.3 The CFR is then reduced by the amount the Council sets aside from revenue for the repayment of debt and other financing movements.

3.2.4 As explained in 3.2.3, in addition to the underlying borrowing need arising from the Council's capital investment programme, the overall CFR also includes other long term liabilities (OLTL) brought onto the Balance Sheet as a result of the recognition of PFI and Finance lease assets. This is a technical adjustment to recognise the underlying borrowing facility taken out by the PFI or Finance lease provider and does not require the Council to take out any additional borrow in its own right.

3.2.5 The CFR projections for which approval is being sought are set out in the table below:

	2016/17 Revised £m	2017/18 Estimated £m	2018/19 Estimated £m	2019/20 Estimated £m
CFR – General Fund	492.654	506.890	519.821	526.209
CFR – HRA	304.125	304.125	304.125	304.125
Total CFR	796.779	811.015	823.946	830.334
Movement in CFR	9.017	14.236	12.931	6.388
Of which:				
CFR – capital investment	661.224	678.226	694.320	703.558
OLTL	135.555	132.789	129.626	126.776
Movement in CFR represented by:				
Prudential borrowing requirement for the year (table at 3.1.6 above)	12.066	17.419	16.723	13.818
Net financing need for the year for OLTL	-2.033	-2.766	-3.163	-2.850
Less Minimum Revenue Provision and other financing movements	-1.016	-0.417	-0.629	-4.580
Movement in CFR	9.017	14.236	12.931	6.388

3.2.6 It should be noted that the total estimated CFR for 2017/18 and 2018/19 of £811.015m and £823.946m are broadly in line with the estimates reported in the previous year's 2016/17 Treasury Management Strategy (£810.926m 2017/18 and £826.273m 2018/19) approved by Council on 2nd March 2016.

3.3 Minimum Revenue Provision Policy Statement

3.3.1 The Council is required to pay off an element of the accumulated General Fund CFR each year through a revenue charge (the Minimum Revenue Provision - MRP). In addition, it is also allowed to make additional voluntary payments (VRP) where it is prudent to do so. Repayments included in annual PFI charges or finance lease payments are also applied as MRP.

3.3.2 No MRP charge is currently required for the HRA. The HRA charges depreciation on its assets, which is a revenue charge. To alleviate the impact of this charge falling on the tenants, HRA regulations allow the Major Repairs Allowance to be used as a proxy for depreciation for the first five years under self-financing (up until 2017/18). Thereafter, depreciation is determined in accordance with proper accounting practice.

3.3.3 CLG Regulations require full Council to approve an MRP Statement in advance of each financial year setting out how it will discharge its duty to charge an amount of MRP which the Council considers 'prudent'.

3.3.4 The Strategic Director of Finance & Customer Services will, where it is prudent to do so, use discretion to review the overall financing of the capital programme and the opportunities afforded by the regulations to maximise the benefit to the Council whilst ensuring it meets its duty to charge a 'prudent' provision. To provide maximum flexibility the recommended MRP policy includes the use of the annuity method and the equal instalments method.

3.3.5 The wording of the proposed MRP Policy Statement for which Council approval is being sought is shown at Annex A.

3.4 Affordability Prudential Indicators

3.4.1 Affordability prudential indicators are used to assess the affordability of the capital expenditure plans by reference to their impact on the Council's finances overall. Cabinet will recommend that the Council be asked to approve the following indicators.

Actual and Estimates of the ratio of financing costs to net revenue stream

3.4.2 This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream of the Council.

3.4.3 The estimates of financing costs include all current commitments, the proposals contained in the proposed 2017/18 Revenue Budget and updated future years' capital expenditure plans.

Ratio of financing costs to Net Revenue Stream				
	2016/17 Revised %	2017/18 Estimated %	2018/19 Estimated %	2019/20 Estimated %
Non-HRA	6.38	7.01	8.55	9.38
HRA	16.27	16.37	16.51	16.71

Estimates of the incremental impact of capital expenditure plans on Council Tax

3.4.4 This indicator identifies the revenue costs associated with proposed changes to the capital programme compared to the Council's existing commitments and current plans.

3.4.5 Only schemes in the Council's approved capital programme are included in the indicators and there may be further schemes pending approval. Any additional approvals will normally have to be funded from unsupported

borrowing as all identified available resources have been allocated. This would impact on the prudential indicators above.

- 3.4.6 The impact on Band D Council Tax, as shown in the table below, indicates the impact of the Council's capital expenditure plans as already budgeted for within the proposed Revenue Budget for 2017/18 and the Council's Medium Term Financial Strategy, and does not indicate additional requirements of Rotherham council tax payers.

Incremental impact of capital expenditure plans on the Band D Council Tax				
	Revised 2016/17 £	Estimated 2017/18 £	Estimated 2018/19 £	Estimated 2019/20 £
Council Tax – Band D	14.59	15.78	19.74	21.54

Estimates of the incremental impact of capital expenditure plans on Housing Rent levels

- 3.4.7 Similar to the Council tax calculation, this indicator identifies the revenue cost of proposed changes in the housing capital programme compared to the Council's existing approved commitments and current plans expressed in terms of the impact on weekly rent levels. Given the latest HRA 30 Year Business Plan does not currently forecast any change in borrowing levels over the period and therefore the incremental financing costs are assumed to be £Nil in each year.

Incremental impact of capital expenditure plans on the Housing Rent levels				
	Revised 2016/17 £	Proposed Budget 2017/18 £	Estimated 2018/19 £	Estimated 2019/20 £
Weekly Housing Rent levels	£0.00	£0.00	£0.00	£0.00

3.5 TREASURY MANAGEMENT STRATEGY 2017/18 – 2019/20

The Treasury Management Strategy covers:

- a. The Council's borrowing and investment projections (para. 3.5.1);
- b. The Council's estimates and limits to borrowing activity (para. 3.5.2 to 3.3.5);
- c. The expected movement in interest rates (para. 3.5.3);
- d. The Council's borrowing and debt strategy (para. 3.5.4);
- e. The Council's investment strategy (para. 3.5.5);
- f. Treasury Management prudential indicators and limits on activity (para. 3.5.6);
- g. Treasury performance indicators (para. 3.5.7); and
- h. Policy on the use of external service advisers (para. 3.5.9).

3.5.1 Borrowing and Investment Projections 2017/18 – 2019/20

- 3.5.1.1 The borrowing requirement comprises the expected movement in the CFR and any maturing debt which will need to be re-financed.
- 3.5.1.2 The effect on the treasury position over the next three years for both the Council and the ex-SYCC debt that the Council administers on behalf of the other South Yorkshire authorities is shown in the table attached at Annex B. The table also highlights the expected level of investment balances.

3.5.2 Limits to Borrowing Activity

- 3.5.2.1 There are a number of key indicators to ensure the Council operates its activities within well-defined limits.
- 3.5.2.2 For the first of these, the Council needs to ensure that its total borrowing, does not, except in the short term, exceed the total of the CFR at the end of the preceding year plus the estimated additional CFR for the current year (2016/17) and the following two financial years. This is designed to ensure that in the medium term debt is only for a capital purpose. The purpose of including the estimated additional CFR for the following two financial years, is that it allows some flexibility for limited early borrowing for future years (para. 3.5.2.12 to 3.5.2.14).
- 3.5.2.3 The Strategic Director of Finance & Customer Services reports that the Council has complied with this indicator in the current year and does not envisage difficulties for the future (the table below refers). This view takes into account approved commitments and existing plans.

RMBC	2016/17 Revised £m	2017/18 Estimated £m	2018/19 Estimated £m	2019/20 Estimated £m
CFR – excl. OLTL	661.224	678.226	694.320	703.558
CFR – OLTL	135.555	132.789	129.626	126.776
Total CFR	796.779	811.015	823.946	830.334
Borrowing (loans outstanding)	482.761	523.776	563.734	600.458
Borrowing - OLTL	135.555	132.789	129.626	126.776
Total Borrowing	618.316	656.565	693.360	727.234
CFR less Borrowing (underborrowed)	178.463	154.450	130.586	103.100

The Overall Level of Borrowing

3.5.2.4 A further two prudential indicators control or anticipate the overall level of borrowing. These are:

- The Authorised Limit for External Debt
- The Operational Boundary for External Debt

The Authorised Limit for External Debt

3.5.2.5 The Authorised Limit represents the maximum amount an authority can borrow for capital and cash flow purposes. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Authorised Limit is set by the Council and any breach must be reported. The Government retains an option to control either the total of all council's plans, or those of a specific council, although no such Government control has yet been exercised.

3.5.2.6 Cabinet is asked to recommend to Council the approval of the following Authorised Limit for RMBC:

Authorised Limit for External Debt (RMBC)	2016/17 Revised £m	2017/18 Estimated £m	2018/19 Estimated £m	2019/20 Estimated £m
Borrowing	696.383	709.184	708.767	708.137
OLTL	137.588	135.555	132.789	129.627
Total	833.971	844.739	841.556	837.764

3.5.2.7 Cabinet is also asked to recommend approval to Council of the following Authorised Limit for the former SYCC:

Authorised Limit for External Debt (Former SYCC)	2016/17 Revised £m	2017/18 Estimated £m	2018/19 Estimated £m	2019/20 Estimated £m
Borrowing	86.709	76.709	37.000	36.189
OLTL	0.000	0.000	0.000	0.000
Total	86.709	76.709	37.000	36.189

3.5.2.8 Separately, the Council is also limited to a maximum HRA CFR through the HRA self-financing regime. This limit remains unchanged until there is any change in Government legislation. The difference between the HRA CFR and HRA Debt Cap of £32.498m represents the maximum additional amount of borrowing the HRA could take up to finance its capital investment. Interest calculated with reference to the HRA CFR is charged on a fair & equitable basis.

HRA Debt Limit	2015/16 Revised £m	2016/17 Estimated £m	2017/18 Estimated £m	2018/19 Estimated £m
HRA Debt Cap	336.623	336.623	336.623	336.623
HRA CFR	304.125	304.125	304.125	304.125
HRA Headroom (+)	+32.498	+32.498	+32.498	+32.498

The Operational Boundary for External Debt

- 3.5.2.9 This is the amount beyond which external borrowing (for capital and cash flow purposes) is not normally expected to exceed. Its purpose is to act as a tool for monitoring day to day treasury activity. Occasionally, for operational reasons it may be necessary to exceed this limit. Temporary breaches are not a cause for concern but sustained breaches may be an indication that the Council is acting imprudently or getting into major financial difficulty.
- 3.5.2.10 In most cases the operational boundary would be a similar figure to the CFR, but as a result of the planned continued under-borrowed position shown in the table in 3.5.2.3 above, the Operational Boundary for which Council approval is being sought set out in the table below is substantially less than the CFR:

Operational Boundary for External Debt (RMBC)	2016/17 Revised £m	2017/18 Estimated £m	2018/19 Estimated £m	2019/20 Estimated £m
Borrowing	482.761	523.776	563.734	600.458
Other long term liabilities	137.588	135.555	132.789	129.626
Total	620.349	659.331	696.523	730.084

- 3.5.2.11 Cabinet is also being asked to recommend to Council that it approves the following Operational Boundary for the former SYCC:

Operational Boundary for External Debt (Former SYCC)	2016/17 Revised £m	2017/18 Estimated £m	2018/19 Estimated £m	2019/20 Estimated £m
Borrowing	86.709	76.709	37.000	36.189
Other long term liabilities	0.000	0.000	0.000	0.000
Total	86.709	76.709	37.000	36.189

Policy on Borrowing in Advance of Need

- 3.5.2.12 The Council has some flexibility to borrow funds in advance for use in future years. The Strategic Director of Finance & Customer Services may do this under delegated powers where, for instance, a sharp rise in interest rates is expected, and so borrowing early at fixed interest rates will be economically beneficial or help meet budgetary constraints.
- 3.5.2.13 Whilst the Strategic Director of Finance & Customer Services will adopt a prudent approach to any such borrowing, where there is a

clear business case for doing so borrowing may be undertaken to fund the approved capital programme or to fund debt maturities.

- 3.5.2.14 Risks associated with any advance borrowing activity will be subject to appraisal in advance and subsequent reporting through the mid-year and annual reporting mechanism.

Debt Rescheduling

- 3.5.2.15 As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. These savings will need to be considered in the light of the current treasury position and the value of the cost of debt repayment (premiums incurred).
- 3.5.2.16 The reasons for any rescheduling to take place will include:
- The generation of cash savings and/or discounted cash flow savings;
 - Helping to fulfil the treasury strategy; and,
 - Enhancing the balance of the portfolio (amending the maturity profile and/or the balance of volatility).

3.5.3 Expected Movement in Interest Rates

- 3.5.3.1 The Bank Rate, currently 0.25%, underpins investment returns. There remains a great deal of economic uncertainty affecting growth forecasts for the UK economy and the rate of inflation both of which are key factors influencing the Bank Rate.
- 3.5.3.2 The uncertainty surrounds the UK's final terms for the leaving the EU, on-going issues in areas of the world economy which could result in weak growth or recession in the UK's main trading partners, Sterling's recent devaluation which may put upward pressure on the rate of inflation, and, pay growth in the UK which is expected to rise more slowly than inflation squeezing disposable incomes.
- 3.5.3.3 As a consequence, the Bank of England have not given a clear signal on the likely direction interest rates will take and are hedging their position until further economic data unfolds.
- 3.5.3.4 At present, for forecasting purposes we have taken a view that the Bank Rate will continue at its current historic low rate for at least the short term. Short-term borrowing rates are therefore expected to remain at favourably low levels. The outlook for longer-term interest rates also remains favourable in the near future, but are expected to start to creep upwards towards the end of 2017/18 or early 2018/19.
- 3.5.3.5 This challenging outlook has several key treasury management implications:

- Investment returns are likely to remain low in the short to medium term with target returns of around 0.25%;
- Borrowing interest rates are likely to remain attractive in the short to medium term, but are less likely to remain so going forward. The Council has adopted a policy of delaying new borrowing by utilising spare cash balances over the last few years. This approach will continue to be carefully reviewed to minimise the risk of incurring higher future borrowing costs, when the Council will not be able to delay new borrowing to finance new capital expenditure and/or to refinance maturing debt. The timing of any borrowing will, therefore, be monitored carefully; and
- There will remain a cost of carrying capital – any borrowing undertaken that results in an increase in investments will incur an incremental cost as the cost of borrowing is greater than the likely investment return.

3.5.4 Borrowing and Debt Strategy 2017/18 – 2019/20

- 3.5.4.1 As shown in the table in 3.5.2.3, the Council is currently maintaining an under-borrowed position. This means that the CFR has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk remains relatively high.
- 3.5.4.2 The uncertainty over future interest rates increases the inherent risks associated with treasury activity. As a result the Council will continue to take a prudent approach to its treasury strategy.
- 3.5.4.3 The Strategic Director of Finance & Customer Services, under delegated powers, will take the most appropriate form of borrowing depending on the prevailing interest rates at the time, taking into account the risks shown in the forecast above. It is likely shorter term fixed rates may provide lower cost opportunities in the short to medium term.

3.5.5 Investment Strategy 2017/18 – 2019/20

- 3.5.5.1 The primary objectives of the Council's investment strategy are:
- Firstly to safeguard the timely repayment of principal and interest (security);
 - Secondly to ensure adequate liquidity; and
 - Thirdly to produce an investment return (yield).
- 3.5.5.2 As part of this Strategy, Members need to consider and approve security and liquidity benchmarks in addition to yield benchmarks which are currently widely used to assess investment performance

and have previously been reported to Members. The proposed benchmarks are set down in Annex D.

3.5.5.3 The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle the Council will ensure:

- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the Specified and Non-Specified investment sections of Annex C.
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Council's prudential indicators covering the maximum principal sums invested as set out in Annex D.

3.5.5.4 The Strategic Director of Finance & Customer Services will maintain a counterparty list in compliance with the criteria set out in 3.5.5.11 and will revise the criteria and submit them to Council for approval as necessary. These criteria are different to those which are used to select Specified and Non-Specified investments.

3.5.5.5 The rating criteria use the lowest common denominator method of selecting counterparties and applying limits. This means that the application of the Council's minimum criteria will apply to the lowest available rating for any institution. For instance if an institution is rated by two agencies, one meets the Council's criteria, the other does not, the institution will fall outside the lending criteria. This is in compliance with a CIPFA Treasury Management Panel recommendation in March 2009 and the CIPFA Treasury Management Code of Practice.

3.5.5.6 Credit rating information is supplied by our treasury advisors on all active counterparties that comply with the criteria in section 3.5.5.11. Any counterparty failing to meet the criteria would be omitted from the counterparty list. Any rating changes, rating watches (notification of a likely change) and rating outlooks (notification of a possible long term change) are provided to officers almost immediately after they occur and this information is considered before any investment decision is taken.

3.5.5.7 The criteria for providing a portfolio of high quality investment counterparties (both Specified and Non-Specified investments) are:

- **Banks** – The Council will use banks which are rated by at least two rating agencies and have at least the following Fitch, Moody's and Standard and Poors' ratings (where rated):

	Fitch	Moody's	Standards & Poor's
Short-term	F1	P-1	A-1
Long-term	A-	A3	A-

- 3.5.5.8 To allow for the day to day management of the Council's cash flow the Council's bankers will also be retained on the list of counterparties if ratings fall below the above minimum criteria.
- **Building Societies** – the Council will use the top 20 Building Societies ranked by asset size but restricted to a maximum of 20% of the investment portfolio
 - **Money Market Funds** – AAA – restricted to a maximum of 20% of the investment portfolio
 - **UK Government** – Debt Management Office
 - **UK Single Tier & County Councils** – (i.e. Metropolitan Districts, London Boroughs, County Councils, Unitary Authorities)
- 3.5.5.9 A limit of 35% will be applied to the use of Non-Specified investments within the investment portfolio, excluding day to day cash management through the Council's own bank.
- 3.5.5.10 Whilst the above criteria relies primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market and sovereign information will continue to be applied before making any specific investment decision from the agreed portfolio of counterparties.
- 3.5.5.11 The time and monetary limits for institutions on the Council's Counterparty List are as follows and represent no change from those currently approved (these will cover both Specified and Non-Specified Investments):

	Fitch	Moody's	Standard & Poor's	Money Limit	Time Limit
Upper Limit Category	F1+/AA-	P-1/Aa3	A-1+/AA-	£20m	5 years
Middle Limit Category	F1/A-	P-1/A3	A-1/A-	£10m	364 days
Lower Limit Category *	All Building Soc's ranked 1 to 10 All Building Soc's ranked 11 to 20			£5m £1m	6 mths 3 mths
Debt Management Office	-	-	-	Unlimited **	6 months
Money Market Funds ***	-	-	-	£20m	n/a
UK Single Tier & County Councils	-	-	-	£20m	5 years
Council's Bankers	-	-	-	£10m	364 days
The above money limits are exclusive of bank balances held by schools					
* Based on maximum of 20% of the investment portfolio					
** Provides maximum flexibility					
*** Based on maximum of 20% of the investment portfolio					

- 3.5.5.12 The proposed criteria for Specified and Non-Specified investments and monitoring of counterparties are shown in Annex C for Member approval.
- 3.5.5.13 In the normal course of the Council's cash flow operations it is expected that both Specified and Non-specified investments will be utilised for the control of liquidity as both categories allow for short term investments.
- 3.5.5.14 The use of longer term instruments (greater than one year from inception to repayment) will fall in the Non-specified investment category. These instruments will only be used where the Council's liquidity requirements are safeguarded. This will also be limited by the long term investment limits.

3.5.6 **Treasury Management Prudential Indicators and Limits on Activity**

- 3.5.6.1 There are four further treasury activity limits the purpose of which are to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates. However if these are set to be too restrictive they will impair the opportunities to reduce costs. The limits are:
- Upper limits on fixed interest rate exposure – This identifies a maximum limit for fixed interest rates based upon the fixed debt position net of fixed interest rate investments.

- Upper limits on variable interest rate exposure – as above this limit covers a maximum limit on variable interest rates based upon the variable debt position net of variable interest rate investments.
- Maturity structures of borrowing – These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.
- Total funds invested for greater than 364 days – These limits are set to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

3.5.6.2 For the purposes of these indicators the Council's market debt with Financial Institutions is treated as variable where debt may be subject to variation on specific call dates each year. However, over the period covered by this Strategy it is considered very unlikely that any market debt will be called due to the prevailing historically low interest rates.

3.5.6.3 The activity limits (prudential indicators) for Member approval are as follows:

RMBC	2017/18	2018/19	2019/20
Interest rate Exposures			
	Upper	Upper	Upper
Limits on fixed interest rate debt based on fixed net debt	100%	100%	100%
Limits on variable interest rate debt based on variable net debt	30%	30%	30%

RMBC Maturity Structure of fixed interest rate borrowing 2017/18		
	Lower	Upper
Under 12 months	0%	35%
12 months to 2 years	0%	35%
2 years to 5 years	0%	45%
5 years to 10 years	0%	45%
10 years to 20 years	0%	45%
20 years to 30 years	0%	50%
30 years to 40 years	0%	50%
40 years to 50 years	0%	55%
50 years and above	0%	60%

RMBC Maximum Funds invested > 364 days			
	1 to 2 years	2 to 3 years	3 to 5 years
Funds invested > 364 days	£m 10	£m 8	£m 6

Former SYCC	2017/18	2018/19	2019/20
Interest Rate Exposures			
	Upper	Upper	Upper
Limits on fixed interest rates based on total debt	100%	100%	100%
Limits on variable interest rates based on total debt	30%	30%	30%

Former SYCC Maturity Structure of fixed interest rate borrowing 2017/18		
	Lower	Upper
Under 12 months	0%	60%
12 months to 2 years	0%	75%
2 years to 5 years	0%	100%

3.5.7 Treasury Performance Indicators

3.5.7.1 The Code of Practice on Treasury Management requires the Council to set performance indicators to assess the adequacy of the treasury function over the year. These are distinct historic indicators, as opposed to the prudential indicators, which are predominantly forward looking. The results of the following two indicators will be reported in the Treasury Annual Report for 2017/18:

- Debt – Borrowing - Average rate of borrowing for the year compared to average available
- Investments – Internal returns above the 7 day London Interbank Bid rate (LIBID) which is the rate at which a bank is willing to borrow from other banks

3.5.8 Training

3.5.8.1 The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to Members responsible for scrutiny. Training has recently been undertaken by Members of the Audit Committee and further training will be arranged as required. The training needs of treasury management officers are periodically reviewed.

3.5.9 Policy on the use of external service advisors

3.5.9.1 The Council uses Capita Asset Services a subsidiary of The Capita Group plc as its treasury management advisors.

3.5.9.2 The company provides a range of services which include:

- Technical support on treasury matters, capital finance issues and the drafting of Member reports

- Economic and interest rate analysis
- Debt services which includes advice on the timing of borrowing
- Debt rescheduling advice surrounding the existing portfolio
- Generic investment advice on interest rates, timing and investment instruments, and,
- Credit rating/market information service comprising the three main credit rating agencies.

3.5.9.3 Whilst the advisers provide support to the internal treasury function, under current market rules and the CIPFA Code of Practice the Council recognises that responsibility for treasury management decisions remains with the Council at all times. The service is provided to the Council under a contractual agreement which is subject to regular review.

Proposed Wording of Minimum Revenue Provision Policy Statement

It is being recommended Council approve the following MRP policy in relation to the charge for the 2017/18 financial year:

- (a) The MRP charge in relation to capital expenditure incurred prior to 2007/08 where the expenditure was funded by either supported or unsupported borrowing will be calculated using the expected useful life of the asset and the calculation of the provision will be by the annuity method;
- (b) The MRP charge in relation to capital expenditure incurred since 2007/08 where the expenditure is funded by either supported or unsupported borrowing will be calculated using the expected useful life of the asset at the point the asset is brought into use. The calculation of the provision will be either the annuity method or the equal instalments method depending on which is most appropriate; and
- (c) The MRP charge in relation to capital expenditure incurred since 2007/08 where the expenditure is funded by a 'capitalisation directive' (e.g. equal pay) will be calculated on the basis of the specified period(s) set down within the regulations. The calculation of the provision will be either the annuity method or the equal instalments method depending on which is most appropriate.
- (d) For the sake of clarity, where MRP has been overcharged in previous years, the recovery of the overcharge will be effected by taking an MRP holiday in full or in part against future years charges that would otherwise have been made. The MRP holiday adjustment to the future years charge will be done in such a way as to ensure that:
 - the total MRP after applying the adjustment will not be less than zero in any financial year
 - the cumulative amount adjusted for will never exceed the amount over-charged;
 - the extent of the adjustment will be reviewed on an annual basis

Borrowing and Investment Projections 2016/17 to 2019/20

RMBC	2016/17 Revised £m	2017/18 Estimated £m	2018/19 Estimated £m	2019/20 Estimated £m
External Debt				
Borrowing at 1 April	476.598	482.761	523.776	563.734
Expected change in debt	6.163	41.015	39.958	36.724
Borrowing at 31 March	482.761	523.776	563.734	600.458
Other long-term liabilities (OLTL) at 1 April	137.588	135.555	132.789	129.626
Expected change in OLTL	-2.033	-2.766	-3.163	-2.850
Other long-term liabilities (OLTL) at 31 March	135.555	132.789	129.626	126.776
Total Borrowing & OLTL at 31 March	618.316	656.565	693.360	727.234
Investments				
Total Investments at 1 April	0.034	20.000	20.000	20.000
Investment change	19.996	0.000	0.000	0.000
Total Investments at 31 March	20.000	20.000	20.000	20.000
Net borrowing at 31 March	598.316	636.565	673.360	707.234

Ex SYCC	2016/17 Revised £m	2017/18 Estimated £m	2018/19 Estimated £m	2019/20 Estimated £m
External Debt				
Borrowing at 1 April	86.709	76.709	37.000	36.189
Expected change in debt	-10.000	-39.709	-0.811	-16.500
Borrowing at 31 March	76.709	37.000	36.189	19.689
Investments				
Total Investments at 1 April	0.000	0.000	0.000	0.000
Investment change	0.000	0.000	0.000	0.000
Total Investments 31 March	0.000	0.000	0.000	0.000
Net borrowing at 31 March	76.709	37.000	36.189	19.689

Treasury Management Practice (TMP) 1 (5) – Credit and Counterparty Risk Management

1. Overview

- 1.1 The Office of the Deputy Prime Minister (now CLG) issued Revised Investment Guidance in March 2010, and this forms the structure of the Council's policy below.

The key intention of the Guidance is to maintain the current requirement for councils to invest prudently, and that priority is given to security and liquidity before yield.

- 1.2 In order to facilitate this objective the guidance requires this Council to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council has adopted the Code will apply its principles to all investment activity.

In accordance with the Code, the Strategic Director of Finance & Customer Services has reviewed and prepared its treasury management practices. This part, TMP 1(5), covering investment counterparty policy requires approval each year.

2. Annual Investment Strategy

- 2.1 The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of its annual treasury strategy for the following year, covering the identification and approval of the following:

- The guidelines for investment decision making, particularly non-specified investments.
- The principles to be used to determine the maximum periods for which investments can be made.
- The specified investments the Council may use.
- The non-specified investments the Council may use.

This strategy is to be approved by full Council.

The investment policy proposed for the Council is detailed in the paragraphs below (sections 2.3 and 2.4).

2.2 Strategy Guidelines

The main strategy guidelines are contained in the body of the treasury strategy statement.

2.3 Specified Investments

- 2.3.1 These investments are sterling investments of not more than one-year maturity. If they are for a longer period then the Council must have the right to be repaid within 12 months if it wishes.

These are low risk assets where the possibility of loss of principal or investment income is small.

- 2.3.2 These would include the following investment categories:

1. The UK Government Debt Management Office.
2. UK Single Tier & County Councils – (i.e. Metropolitans District, London Boroughs, County Councils, Unitary Authorities)
3. Money Market Funds that have been awarded AAA credit ratings by Standard and Poor's, Moody's or Fitch rating agencies and restricted to 20% of the overall investment portfolio
4. A bank or a building society that has been awarded a minimum short-term rating of F1 by Fitch, P-1 by Moody's and A-1 by Standard and Poor's rating agencies. For Building Societies investments will be restricted to 20% of the overall investment portfolio and:
 - a maximum of £5m for a period not exceeding 6 months if the society is ranked in the top 10 by asset size; or
 - a maximum of £1m and a period not exceeding 3 months if the society is ranked 11 to 20 by asset size.

2.4 Non-Specified Investments

- 2.4.1 Non-specified investments are any other type of investment not defined as specified above.

The criteria supporting the selection of these investments and the maximum limits to be applied are set out below.

- 2.4.2 Non specified investments would include any sterling investments with:

1. A bank that has been awarded a minimum long term credit rating of AA- by Fitch, Aa3 by Moody's and AA- by Standard & Poor's for deposits with a maturity of greater than 1 year.
2. The Council's own bank if ratings fall below the above minimum criteria.

3. A Building Society which is ranked in the top 20 by asset size. Investments will be restricted to 20% of the overall investment portfolio and:

- a maximum of £5m for a period not exceeding 6 months if the Society is ranked in the top 10 by asset size; or
- a maximum of £1m and a period not exceeding 3 months if the Society is ranked 11 to 20 by asset size.

3 The Monitoring of Investment Counterparties

3.1 The credit rating of counterparties will be monitored regularly. The Council receives credit rating information from the Council Treasury Management advisors on a daily basis, as and when ratings change, and counterparties are checked promptly.

On occasions ratings may be downgraded after the date on which an investment has been made. It would be expected that a minor downgrading would not affect the full receipt of the principal and interest.

3.2 Any counterparty failing to meet the minimum criteria will be removed from the list immediately by the (Interim) Strategic Director of Finance & Customer Services, and new counterparties will be added to the list if and when they meet the minimum criteria.

Security, Liquidity and Yield Benchmarking

These benchmarks are targets and so may be exceeded from time to time with any variation reported, with supporting reasons in Mid-Year & Annual Treasury Reports.

1. Security and liquidity

These benchmarks are already intrinsic to the approved treasury strategy through the counterparty selection criteria and some of the prudential indicators, e.g. the maximum funds which may be invested for more than 364 days, the limit on the use of Non-specified investments, etc.

1.1 Security

1.1.1 Security is currently evidenced by the application of minimum criteria to investment counterparties, primarily through the use of credit ratings supplied by the three main credit rating agencies. Whilst this approach embodies security considerations, benchmarking the levels of risk is more subjective and therefore problematic.

1.1.2 One method to benchmark security risk is to assess the historic level of default against the minimum criteria used in the Council's investment strategy. The default rates are little changed from last year.

Credit Rating	1 year	2 years	3 years	4 years	5 years
AAA	0.04%	0.10%	0.18%	0.27%	0.37%
AA	0.01%	0.02%	0.08%	0.16%	0.23%
A	0.07%	0.19%	0.36%	0.55%	0.77%
BBB	0.15%	0.46%	0.82%	1.26%	1.73%

1.1.3 The Council's minimum long term rating criteria (over one year) is "AAA" meaning the average expectation of default for a three year investment in a counterparty with a "AAA" long term rating would be 0.18% of the total investment (e.g. for a £1m investment the average potential loss would be £1,800).

The Council's minimum long term rating criteria (up to one year) is "BBB" and the average expectation of default for such an investment would be 0.15% (e.g. for a £1m investment the average loss would be £1,500).

These are only averages but do act as a benchmark for risk across the investment portfolio.

The Council's maximum security risk benchmark for the estimated maximum portfolio during 2017/18 is 0.091% which means that for every £1m invested the average potential loss would be £910. This position remains largely unchanged from 2016/17 (benchmark was 0.096% or £960).

- 1.1.4 The Council's Treasury advisers maintain a continuous review of the risk position by the inclusion the Council's daily investment position within their online model.

1.2 **Liquidity**

- 1.2.1 This is defined as "having adequate, though not excessive cash resources, borrowing arrangements, overdrafts or standby facilities to enable the Council at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives" (CIPFA Treasury Management Code of Practice). The Council seeks to maintain:

- Bank overdraft – on a day-to-day basis the Council works to an agreed overdraft limit of £100,000 with the Council's bankers. Whilst a short-term increase could be negotiated less expensive short-term borrowing is accessed through the financial markets to remain within the agreed overdraft.
- Liquid, short term deposits of at least £3m available with a week's notice.

- 1.2.2 The availability of liquidity and the inherent risks arising from the investment periods within the portfolio is monitored using the Weighted Average Life (WAL) of the portfolio. This measures the time period over which half the investment portfolio would have matured and become liquid

A shorter WAL generally represents less risk and in this respect the benchmark to be used for 2017/18 is:

- 0.08 years which means that at any point in time half the investment portfolio would be available within 28 days.

2. **Yield**

These benchmarks are currently widely used to assess investment performance and the Council's local measure of yield is:

- Internal returns above the 7 day London Interbank Bid rate (LIBID) which is the rate at which a bank is willing to borrow from other banks

Flexible use of Capital Receipts Strategy 2017/18

1. Introduction

The proposals within this Flexible use of Capital Receipts Strategy have been prepared based on guidance issued by the Secretary of State under section 15 (1)(a) of the Local Government Act 2003, effective from 1st April 2016 in respect of the Flexible Use of Capital Receipts.

2. The Guidance

The Guidance issued by the Secretary of State under section 15(1)(a) of the Local Government Act specified that:

- “Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in such a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for this flexibility”.
- “Set up and implementation costs of any new processes or arrangements can be classed as qualifying expenditure. The ongoing revenue costs of the new processes or arrangements cannot be classed as qualifying expenditure. In addition, one off costs, such as banking savings against temporary increases in costs/pay cannot be classified as qualifying expenditure”.
- In using the flexibility, the Council will have due regard to the requirements of the Prudential Code and to the CIPFA Local Authority Accounting Code of Practice.
- The Council is also required to prepare a Flexible use of Capital Receipts Strategy before the start of the year to be approved by the Council – this is that Strategy.

3 The Council’s Proposals

The Guidance sets out examples of qualifying expenditure which includes “funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation” and it is for this purpose that the Council is proposing to use of Capital Receipts in 2017/18.

4. The Council's Workforce Strategy recognises that people are key to the Council achieving improvement in its services and being representative of their communities. In order for the Council to deliver its Corporate Plan priorities, its Corporate Improvement Plan and its Medium Term Financial Strategy it is essential that the Council has the right people, with the right skills, in the right place and at the right time to maintain and improve existing and future service outcomes.
5. The Council adopts a "whole organisation" strategy approach that optimises potential structural and operational efficiencies at a corporate level, whilst recognising that it is equally important to ensure quality workforce planning at a local level. The Council is also delivering organisational and workforce change around the specific service improvement areas identified by recent inspections and reports. This Strategy focuses on the workforce essentials of an "Effective Rotherham Council".
6. Key workforce activities are:
 - Supporting achievement of budget savings targets for 2017/18 and later years through appropriate workforce interventions and the service reviews and health checks in the Fresh Start Improvement Plan; and
 - Responding to staffing pressures and remodelling the workforce corporately but also particularly in Children's Services, Adult Social Care and Regeneration & Environment.

7. 2017/18 Revenue Budget

The above priorities have been recognised in the Council's 2017/18 Revenue Budget and Outline Medium Term Financial Strategy (MTFS). These include both revenue efficiency savings from the restructuring and reconfiguring of the Council's Services to meet both current and forecast levels of demand for services, and reshaping of services such as Early Help, Business Support, Transport and Adult Social Care to provide a more targeted approach to the provision of services that is focussed on improved customer outcomes.

8. To support this significant and continued reconfiguration of the Council's Services to deliver improvement and efficiencies, the current savings proposals will see a further downsizing of the Council's workforce by around 160 full time equivalent posts in 2017/18. Additionally, budget proposals to fully address the funding gap for 2018/19 – 2019/20 are yet to be identified and agreed, but will inevitably further affect workforce numbers. It is therefore proposed that the costs associated with staff leaving the Council through service reconfiguration in 2017/18 should be funded through the flexible use of Capital Receipts. It is also proposed that any in-year Capital Receipts received which exceed the amount required to cover the release cost of these staff be used to fund revenue funded activities which are being incurred to support the Council's service development and delivery of savings

and efficiencies. The legitimacy of this use will be determined by the s151 Officer in order to ensure that it meets the requirements set out by the Secretary of State.

9. **Business Case for Voluntary Release** - when considering the business case for the release of employees on Voluntary Severance/Early Retirement, the Councils' approach is to ensure that the cost of the release of the employee concerned, including both redundancy and pension strain costs, should be recovered from salary savings within 3 years of the employee leaving. This reflects the term of the period covered by the Medium Term Financial Strategy. There is also a requirement that any release would also be subject to meeting 'business need' and thereby retain the right people with the right skills to deliver the required outcomes for customers.

10. **The Prudential Code**

The Council will have due regard to the requirements of the Prudential Code and the impact on its prudential indicators from implementing the proposed scheme within this Efficiency Strategy.

11. As transformation proposals develop and the cost of Voluntary Severance is determined, the expenditure to be incurred will be included in the Council's Capital Programme to be funded by capital receipts generated in the financial year. The capital expenditure prudential indicators will be amended and approved as appropriate. In line with Golden Rule 3 of the Capital Strategy, the first call on capital receipts generated in the year will be utilised to meet the cost of voluntary severance. These receipts have not been earmarked as funding for any other proposed capital expenditure and therefore there is no anticipated additional impact on the Council's prudential indicators as set out in the Council's Treasury Management Strategy.

12. The Council will also have due regard to the Local Authority Accounting Code of Practice when determining and including the entries required from undertaking and funding this scheme within the 2017/18 Council's Statement of Accounts.

13. **Monitoring the Strategy**

Implementation of this Strategy will be monitored as part of regular financial reporting arrangements.

Budget 2017/18
Net Budget Requirement to be met by Council Tax
Statutory Resolution

The Council Tax for Rotherham MBC will be set inclusive of the South Yorkshire Police and Crime Commissioner and South Yorkshire Fire and Rescue Authority precepts. Confirmed information on the precepts is not available at the time of publishing this report but will be incorporated into the Statutory Resolution document to be presented separately for the Council Budget meeting.

The Statutory Resolution will also include adjustments to Council Tax where Parish precepts apply.

APPENDIX 7

REVENUE RESERVES 1st April 2016

The total revenue reserve balances at 1st April 2016 were £99.673m broken down as follows:

HRA Balance £27.932m –ring-fenced to the HRA and being used to support the 30-year Business Plan.

Schools Balances £3.722m –ring-fenced for the specific use of schools.

General Reserve £11.269m – working balance maintained to safeguard the Council against potential financial risks beyond those for which specific reserves have been created.

Ring-Fenced: Revenue Grants £13.971m – represents revenue grants to be used to meet future spending plans relevant to the terms and conditions of the grant.

Earmarked: Transformation £4.936m – to meet additional costs and/or liabilities in order to help bring about a ‘fit for purpose’ Council.

Earmarked: Furnished Homes £3.276m – committed to support the Revenue Budget and to meet capital financing cost in later years.

Earmarked: Insurance £0.350m –to cover claims incurred but not yet reported to the Council and not taken account of in the Insurance Provision.

Earmarked: Business Rates £4m – to mitigate residual risks relating to valuation appeals lodged with the Valuation Office Agency and potential business closures.

Earmarked: Pensions Deficit £6m – to cover the potential increase in back-funding contributions to the South Yorkshire Pension Scheme following the 2017 actuarial valuation and any impact of the EU referendum outcome on returns available through financial markets affecting the overall Scheme funding into the future

Earmarked: Private Finance Initiatives (Schools, Leisure and Waste) £14.638m – used to effectively manage the income and expenditures relevant to the schemes over the life of the contracts in line with the agreed finance and accounting models.

Earmarked: Services £9.579m earmarked to support the Revenue Budget on service specific items:

- Children & Young People Services - £7.2m
- Regeneration & Environment - £1.668m
- Adults, Communities & Health - £0.711m

Public Report
Cabinet and Commissioners' Decision Making Meeting

Summary Sheet

Council Report

Cabinet and Commissioners' Decision Making Meeting – 13 February 2017

Title

Crisis support (local welfare provision)

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

Non-key decision, has been included on the Forward Plan

Strategic Director Approving Submission of the Report

Shokat Lal, Assistant Chief Executive

Report Authors

Carole Haywood, Partnerships and Policy Manager, Assistant Chief Executive's Directorate

Steve Eling, Policy and Partnerships Officer, Assistant Chief Executive's Directorate

Ward(s) Affected

All

Summary

Local Welfare Provision (LWP) commenced in April 2013, following the end of community care grants and crisis loans under the Discretionary Social Fund.

The Government provided funding in the first two years (2013/14 and 14/15), but since then resources have been provided on an annual basis from recycled and unspent local welfare funding.

The current provision by the Council includes:

- Crisis loans administered by LASER Credit Union at zero interest;
- Provision of food by FareShare Yorkshire to local Community Food Members; and
- Support for the "Food in Crisis Partnership" of local providers, including provision of small grants.

This report provides recommendations for ongoing support in 2017/18. These include requested exemptions from standing orders for the letting of contracts, following soft market testing demonstrating that there is no competitive market for the provision of these services.

The award of these contracts will be subject to the proposed 2017/18 budget being approved by Council on 8th March 2017.

Recommendations

1. That, pursuant to Standing Order 46 (contracts not requiring tendering / value below £50,000) on the grounds that the conditions in Standing Order 47 are met, a contract be awarded in the value of £30,000 for 2017/18 to FareShare Yorkshire Limited for the provision of ambient food to Rotherham Community Food Members, on the same terms as the current contract.
2. That, pursuant to Standing Order 38 (Exemptions), Standing Order 48 (contracts valued at £50,000 or more) be waived with regard to the provision of crisis loans to be administered by LASER Credit Union for the financial year ended 31st March 2018, and that a contract be awarded in the value of £60,000 on the same terms as the current service level agreement and same eligibility criteria for access to loans.
3. That further work be undertaken to regularise the referral pathways for crisis loans, ensuring that people meet the eligibility criteria before referral to LASER Credit Union.
4. That £10,000 be awarded to Voluntary Action Rotherham for support and co-ordination of the wider Food in Crisis Partnership to enable partnership work across crisis food provision, including the continuation of small grant awards.

List of Appendices Included

None.

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

Crisis Support (local welfare provision)

1. Recommendations

- 1.1 That, pursuant to Standing Order 46 (contracts not requiring tendering / value below £50,000) on the grounds that the conditions in Standing Order 47 are met, a contract be awarded in the value of £30,000 for 2017/18 to FareShare Yorkshire Limited for the provision of ambient food to Rotherham Community Food Members, on the same terms as the current contract.
- 1.2 That, pursuant to Standing Order 38 (Exemptions), Standing Order 48 (contracts valued at £50,000 or more) be waived with regard to the provision of crisis loans to be administered by LASER Credit Union for the financial year ended 31st March 2018, and that a contract be awarded in the value of £60,000 on the same terms as the current service level agreement and same eligibility criteria for access to loans.
- 1.3 That further work be undertaken to regularise the referral pathways for crisis loans, ensuring that people meet the eligibility criteria before referral to LASER Credit Union.
- 1.4 That £10,000 be awarded to Voluntary Action Rotherham for support and co-ordination of the wider Food in Crisis Partnership to enable partnership work across crisis food provision, including the continuation of small grant awards.

2. Background

- 2.1 Local Welfare Provision (LWP) commenced in April 2013, following the end of Government funded community care grants and crisis loans under the Discretionary Social Fund.
- 2.2 The Welfare Reform Act 2012 provided for the ending of the Discretionary Social Fund but the Department for Work and Pensions (DWP) were and still are required to provide:
 - Hardship payments, which can be applied for when someone's benefit payments have been stopped temporarily as a result of a sanction;
 - Short term benefit advances, available to people claiming any contributory or means-tested benefit where claimants can show that they are in financial need; and
 - Budgeting loans, available for essential items such as rent, furniture, clothes or hire purchase debts. The smallest loan is £100. They are interest free and normally have to be repaid within two years, but are only available to people who have been in receipt of income-related benefits for at least 26 weeks.
- 2.3 The Government provided grants to local authorities for two years to make local welfare provision although there was no statutory requirement. In April 2013, the Council launched the "Fund for Change" as part of the local welfare provision for Rotherham. The scheme was drawn up after extensive discussions within the Council and with partners.

- 2.4 Applications for assessment were done through the Council, and the main elements of the scheme were:
- Small emergency payments for people whose health or safety was at immediate risk and who had no other means of support;
 - Interest free loans provided through Laser Credit Union for people who were in financial difficulty and needed additional or less urgent support to meet essential expenses; and
 - Provision of goods through the Council's Furniture Solutions Team for those needing help to resettle or stay in the community. The financing of this provision was discounted from April 2015 when the Government LWP grant funding ceased.

- 2.5 Since the end of grant funding in 2015, the Council has supported the provision of crisis loans by LASER Credit Union and the supply of food to Community Food Member by FareShare Yorkshire, together with support for the Food in Crisis Partnership.

Local Welfare Provision from April 2015 onward

- 2.6 As part of the provisional local government finance settlement for 2015/16, the Government announced that the direct grant for LWP would cease. Since then, resources for LWP crisis support have been provided from recycled and the Council's revenue budget unspent local welfare funding fund balances carried forward.
- 2.7 For the two financial years 2015/16 and 16/17 the Council provided:
- £30,000 for the continuation of food provision in 2015/16, with a further £30,000 allocated for food poverty work in 2016/17
 - £100,000 for the crisis loans in 2015/16 (plus £25,000 retained from the original contract) and £60,000 in 2016/17.
 - £10,000 contingency fund in 2015/16. This was not used and carried forward into 2016/17 when it was used to support the Food in Crisis Partnership.

Both the small emergency payments and "Furniture Solutions" funding from LWP were discontinued from April 2015. The take-up of emergency payments was very low, with most people referred for crisis loans, and other support was available for furniture.

Crisis Loan Provision and LASER Credit Union

- 2.8 In April 2015 the Council decided to no longer assess applications or make referrals for crisis loans. Consequently, a new scheme that retained some elements of the original scheme was introduced under a one-year contract extension (to March 2016).

- 2.9 The main change to the service was that LASER would operate an 'end to end' scheme from initial assessment through to awarding the loan and collecting the repayments. The contract was not put out to competitive tender because it continued to be judged that LASER was the only local organisation with the capacity (both infrastructure and staffing resources) and ability to provide this service for the next 12 months, and that to seek other providers under such circumstances would not represent value for money.
- 2.10 The current provision, established in April 2015, included new eligibility criteria and funding for 2015/16 of £100,000 to provide for administrative costs as well as the loans fund.
- 2.11 The agreed criteria and process for accessing crisis loans are as follows:
- i) Eligibility is for Rotherham residents only
 - ii) LASER provides the detailed eligibility criteria and assessment for crisis loans, though wider support on eligibility checks is available from the Council (e.g. Revenues and Benefits)
 - iii) All applicants must provide official documentation to open the account. LASER advises the customer on what constitutes acceptable documentation
 - iv) Loans generally granted are up to a maximum of £120;
 - v) In cases of exceptional need (to be assessed by LASER) there can be provision for loans of up to £250
 - vi) In cases of exceptional need (to be assessed by LASER and subject to the correct documentation) same-day emergency cash loans can be made available
 - vii) Loans are interest free with a maximum repayment period of one year. Smaller loans may be repaid over shorter periods, but repayment schedules will be based on LASER's assessment of affordability (note: this is unique, as LASER's mainstream loans are provided on an annual percentage rate basis)
 - viii) Applicants are subject to an income-based financial assessment for a loan
 - ix) Loans will only be available to applicants who would otherwise be unable to access a loan as a LASER member
 - x) A direct application phone line is open Monday to Friday 9.00am to 2.00pm (with an answerphone facility available out of hours or during busy times)
 - xi) Loan appointments are available Monday to Friday 9.30am to 2.00pm (to reflect current LASER opening times)
- 2.12 Under this scheme, 1,037 interest free loans were issued between April 2015 and March 2016, totalling £97,753.59 (an average loan of £93.90).
- 2.13 For 2016/17, as the previous contract had been extended without open procurement, it was deemed not possible to extend the contract again. As an alternative, £60,000 funding was made by way of a grant, with a service level agreement, awarded under the Council's general power of competence.

- 2.14 The number of loans provided has reduced in recent months, but this is likely to reflect the disruption of services at LASER. Monitoring figures for April to December 2016 (as also reported in the 2016/17 Corporate Plan quarter three performance report) show 487 loans being provided with a total value of £39,456, giving an average loan of £81.02. However, the reasons for loans being provided remain fairly consistent. Loans to pay for food and bills continue to account for half of those awarded. One significant development is the number of loans provided because of benefit delays. These rose from 54 for the whole year in 2015/16 to 41 in the first half year for 2016/17. This also corresponds with an increase in benefit delays attributed to requests for food in crisis support, as noted below.
- 2.15 A meeting with LASER took place in November 2016 to explore the minimum resource required to continue to operate the crisis loans for a further year. The critical factors are the relatively fixed core staffing and operating costs, which LASER has advised require at least £60,000 to make the scheme viable.
- 2.16 LASER has recently raised the concern that a number of people presenting for loans (either referred by other organisations or self-presenting) are being assessed as not eligible. Currently there is no formal referral process to LASER from other organisations, which is leading to people presenting for a loan when they do not meet the criteria or have any means of repayment. LASER feels that there needs to be a clearer, more consistent referral process to prevent this happening. LASER does refer people on for other support, particularly to organisations including Citizen's Advice Bureau, but there are currently no formal protocols (or understanding) which again needs to be addressed now and as part of any future provision.

Food in Crisis

- 2.17 The continuation of food in crisis support into 2015/16 was taken forward through open procurement which resulted in one tender being received from FareShare Yorkshire (FSY). The contract was to provide surplus ambient food to Community Food Members (CFM), including GPs and children's centres. 49 organisations (e.g. housing associations, Jobcentre Plus, Probation Service and Rotherham Council departments) have referred people to FareShare CFMs in the current year.
- 2.18 The current contract commenced on 1st April 2015 at a value of £30,000 per annum and runs to 31st March 2017.
- 2.19 The FareShare contract is supporting over twenty organisations, mainly located in areas of deprivation. Current CFMs supported are:
- British Red Cross;
 - Brookfield Swinton, Coleridge and Rotherham Central children's centres;
 - Eastwood Village Primary School;
 - Canklow Road Surgery and The Gate Surgery;
 - Clifton Learning Partnership;
 - Full Life Church Maltby;
 - GROW;

- Liberty Church;
- Rotherham Citizens Advice Bureau;
- Cortonwood, Kimberworth and Parkgate/Rawmarsh Salvation Army centres;
- The Hub; and
- Wath Community Foodbank.

2.20 Figures for the full year 2015/16 show that 2,526 adults and 1,510 under 18s were supported. In addition:

- 2,015 referrals for a food parcel were received;
- 2,119 food parcels were provided; and
- 900 people were engaged in long-term support.

2.21 Monitoring figures for 2016/17 so far (as included in the 2016/17 Corporate Plan performance report for quarter three) show that the number of people supported to the end of the 2016 calendar year date has been 4,198 (with detailed data to the end of November showing that at least 1,800 of these will have been under 18s):

- 1,712 referrals for a food parcel have been received (data as at end of November);
- 2,489 food parcels have been provided (data as at end of December); and
- 736 people have been engaged in long-term support (data as at end of November).

Demand for crisis food support continues to rise, especially among families with children. Year on year figures for April to September 2015 and the same period in 2016 show a rise from 1,232 referrals to 1,712. The biggest changes are in relation to benefit sanctions and delays. These are as follows:

	Apr/Nov 2015	Apr/Nov 2016
Sanctions	240	357
Delays	289	452

2.22 Taken together, the activity across crisis loans and food provision continues to indicate that food crisis is the most common issue. Whilst it is not known if crisis loans given for food are because of benefit delays, issues relating to benefits are the largest (and increasing) factor in relation to people applying for crisis provision.

Food in Crisis Partnership (£10k allocation in 2016/17)

- 2.23 As part of the crisis provision for 2016/17, approval was given to allocate £10,000 in contingency funding for 2015/16 to support and maintain the Food in Crisis Partnership, including a small grants scheme. Voluntary Action Rotherham provides this support. The Rotherham Food for People in Crisis Partnership (FiC Partnership) consists of over twenty organisations across the borough that help people deal with emergency situations by providing them with food, whether it's a parcel to take home or a cooked meal and other support.
- 2.24 The funding would enable VAR to provide support to coordinate the Food in Crisis partnership and its activities; provide support for the collection of data and information which helps to identify and inform the overall Food in Crisis picture and trend analysis. In addition, information is also collated on why people are in crisis, what support is being offered and the Rotherham neighbourhoods where referrals are from. Furthermore, VAR would also coordinate the 'People on Need' activity, which includes the coordination and promotion of appeals and donations.

3. Key Issues

- 3.1 Poverty in Rotherham is reflected in high levels of financial exclusion, debt problems and fuel poverty. The loss in benefits in 2015/16, due to government welfare reforms, was estimated at £66 million and this is expected to double by 2020/21. Low income households, particularly families in which people are without work or in insecure work, are at high risk of experiencing a crisis. Benefit sanctions and delays have forced a growing number of households to use food banks, as can be seen from the data collected by FareShare from the CFMs.
- 3.2 A new benefit cap was introduced in December 2016. This has meant that a couple or a household with children have had their benefits capped at £384.62 a week, and single people's benefits have been capped at £257.69 a week. Estimates suggested that 466 families would be affected, however, after data-cleansing, this figure was more likely to fall to 400. For approximately one third of families, the impact is a reduction in income of £20 a week or less. There are twice as many lone parents affected; approximately half have three children or more, one third have four children or more, and 13% have five children or more.
- 3.3 Whilst the reduction in benefits has been implemented through a cut to Housing Benefit payments and those affected are able to apply for Discretionary Housing payments, it appears likely that many families will be forced to seek additional crisis support. It will be important to accurately monitor the impact on demand for crisis support in order to effectively plan current and future provision.

DWP Provision

- 3.4 Whilst the Government ended the Discretionary Social Fund in April 2013, there is still emergency and hardship support provision available to people in receipt of qualifying benefits provided by the DWP. The current provisions are available through short term benefit advances, hardship payments and budgeting loans. Overviews of these are set out below.
- 3.5 Short term benefit advances are available to people who have:
- Been able to show that they are in financial need. This means that if they don't get a benefit advance there is a serious risk of damage to the health and/or safety of them and/or their family. There is no set list of situations this covers, but as an example, not being able to pay for gas or electricity could be a risk to health.
 - Made a new claim for a benefit but will be in financial need until they receive their first payment. To qualify, they must have been awarded the benefit or the decision maker considers that it is likely that they are entitled to the benefit;
 - Had a change in their circumstances that will increase the amount of benefit they are entitled to; or
 - Been unable to pay their benefit on the due date. This could, for example, be due to a technical problem in processing their claim or payment.
- 3.6 If a benefit has been cut because of a sanction or penalty for fraud, a claimant might be able to get some emergency money to help cover household expenses like food and bills through hardship payments. A hardship payment is usually a loan, which will have to be paid back when the sanction ends. The DWP will usually get the money back by taking an amount of money from the claimant's benefit payment each month until it's paid off.
- 3.7 Budgeting loans are to help pay for essential things like furniture, clothes, moving costs or hire purchase debts. The smallest amount that can be borrowed is £100. Budgeting loans are interest-free and normally have to be repaid within 104 weeks. They are available to people who have been in receipt of income-related benefits for at least 26 weeks.
- 3.8 Figures have been requested from the DWP covering how much has been provided in hardship payments, short term benefit advances and budgeting loans in Rotherham since April 2013. This information has not yet been provided. However, the reasons for access to crisis food support shows a growing demand arising from benefit sanctions and delays, which may suggest that people are not accessing hardship payments or short term benefit advances.

Crisis Support: other local comparators

- 3.9 There is a range of crisis support provision in other local authority areas. In particular, there are very different approaches to the provision of cash. Some areas, such as Wakefield, Kirklees and Leeds, make no cash provision at all, providing goods instead. Bradford and Doncaster both provide cash, but as loans not grants other than in exceptional circumstances. Calderdale provides vouchers for supermarkets, which appears similar to the festive food provision that was provided in Rotherham in the past. Barnsley and Sheffield make loans available through credit unions. None-cash schemes are more common than cash schemes, which may be because the administrative costs are lower.

4. Options Considered and Recommended Proposal

- 4.1 Whilst there would be options to discontinue some or all of the current crisis provision, demand continues for all forms of support, as evidenced by the monitoring returns.
- 4.2 The level of resources available is sufficient to maintain a viable level of service provision, especially in relation to loans where core costs could not be met with a lesser allocation.
- 4.3 The recommended allocation is for one year, enabling a review of ongoing demand before any allocation in future years is confirmed.
- 4.4 The award of these contracts will be subject to the proposed 2017/18 budget being approved by Council on 8th March 2017.

5. Consultation

- 5.1 Informal discussion has taken place with current providers in relation to continuing provision into 2016/17. Formal arrangements will be put in place as soon as a decision is taken.

6. Timetable and Accountability for Implementing this Decision

- 6.1 Should the recommendations in this report be supported, arrangements need to be put in place to secure uninterrupted provision into 2017/18.

7. Financial and Procurement Implications

- 7.1 A budget allocation of £100,000 is to be recommended to Council on 8th March for 2017/18 to be funded from recycled and unspent local welfare funding made available by Government in previous years. This will enable the minimum level of activity for crisis provision that is viable for the organisations to operate.

7.2 Owing to there being no forward contractual commitment for the FareShare contract or LASER service level agreement, procurement is required for continuing these services. However, it was considered that there would not be other providers in the market to tender for these contracts. Consequently, a soft market test has been undertaken that involved seeking expressions of interest through the Council's procurement processes over a two-week period. This has resulted in only the current providers expressing any interest in the future delivery of the services, and helps to confirm that there is unlikely to be any other suitable providers that would tender for the proposed provisions should an open procurement exercise have been undertaken. In these circumstances it is recommended that:

- a) In relation to the provision of food by FareShare, that Standing Order 46 be applied (contracts not requiring tendering / value below £50,000) on the grounds that the conditions in Standing Order 47 are met; and
- b) Pursuant to Standing Order 38 (Exemptions), to waive Standing Order 48 (contracts valued at £50,000 or more) with regard to the provision of crisis loans to be administered by LASER Credit Union for the financial year ending 31st March 2018, as set out in the report.

8. Legal Implications

8.1 None of the crisis support functions or partnership working covered in this report are statutory duties of the Council. However, support given to people in crisis may provide relief from additional hardship and demand for statutory service provisions.

9. Human Resources Implications

9.1 There are no directly identified human resources implications within the Council arising from this report. There may, however, be workforce implications for the contracted organisations concerned, depending on the final decisions made.

10. Implications for Children and Young People and Vulnerable Adults

10.1 There will be inevitable implications for families with children and vulnerable people arising from any reduction in local welfare provision. However, a continued focus on addressing food poverty and crisis loan provision will help continue to meet the most acute demand for hardship support and contribute towards the Council's wider offer to those families suffering from hardship.

11 Equalities and Human Rights Implications

11.1 There are no equalities or human rights implications arising from the report.

12. Implications for Partners and Other Directorates

12.1 Withdrawal of all or part of the current crisis support will have an impact on the work of partner organisations. It could also result in greater demand on services provided by the Council.

13. Risks and Mitigation

- 13.1 Whilst providing interest-free crisis loans is not the core business of LASER, they recognise the need to diversify to ensure they can sustain the existing infrastructure. Ongoing liaison with LASER with regards to how this service fits with its business model will be explored through the contract.
- 13.2 The loss of coordination through the Food in Crisis Partnership would risk a fragmented approach to food in crisis provision and may result in provision that is unable to adequately meet demand.
- 13.3 Any reduction in service for vulnerable people in Rotherham has the potential to affect public opinion of the Council. This risk could be mitigated by ensuring all local agencies, including LASER, have a clear understanding of what other services are available in Rotherham and how to refer people onto these services immediately. This includes the food in crisis provision, which does have some capacity to increase the supply of food to vulnerable people.

14. Accountable Officer(s)

Shokat Lal, Assistant Chief Executive

Approvals Obtained from:-

Stuart Booth, Assistant Director of Financial Services, Finance & Customer Services

Peter Hudson, Chief Finance Manager, Finance & Customer Services

Stuart Fletcher, Service Manager (Commercial and Governance), Legal Services

Public Report
Cabinet and Commissioners' Decision Making Meeting

Council Report

Cabinet and Commissioners' Decision Making Meeting - 13 February 2017

Title

Devolution Update

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

No

Director Approving Submission of the Report

Judith Badger, Strategic Director (Finance and Customer Services)

Report Author

Dermot Pearson, Assistant Director (Legal Services)

Ward(s) Affected

All

Executive Summary

At its meeting on 2 March 2016 Council received a report on the Sheffield City Region Devolution Deal and endorsed the in principle Sheffield City Region Devolution Agreement and delegated authority to the Chief Executive (in consultation with the Leader and Commissioners as appropriate to consent to an order providing for the creation of the mayoral combined authority but not an order conferring any functions on the mayoral combined authority.

At its meeting on 11 July 2016 the Cabinet received a report on Implementation of the Sheffield City Region Devolution Deal and Scheme Consultation and noted that a statutory consultation exercise was to take place, led by the Sheffield City Region Combined Authority, on the Scheme setting out the way in which the new mayoral combined authority would operate in terms of its additional powers and functions and related changes in governance.

The Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Election of Mayor) Order 2016 was made on 21 July 2016 after the Combined Authority and the four South Yorkshire metropolitan councils had given their consent. The Chief Executive gave consent on behalf of the Council in accordance with the delegation previously granted to her. The Order provided for there to be an election on 4 May 2017 for a mayor, with a further election in 2020 and elections every four years thereafter.

In July and August of 2016 the Combined Authority undertook a consultation designed to implement its Devolution Deal. Proposals in the document included the intention for Chesterfield and Bassetlaw to be constituent members of the Combined Authority as well as providing the powers required to deliver the Devolution Deal.

In September 2016, Derbyshire County Council made a legal claim that the Combined Authority's consultation was misleading. On 9-10 November 2016, the case was considered at the High Court in London. The Court's judgement, given on 21 December 2016, confirmed that Sheffield City Region's extensive and wide-ranging consultation, undertaken in July and August 2016, would not be quashed. The judgement did, however, raise the need to carry out further consultation to address the proposed governance changes in Chesterfield.

Following the Judgement at the end of December, and the need to undertake additional consultation, it is now not considered possible to hold a Combined Authority election in May 2017. On 30 January 2017 the Department for Communities and Local Government wrote to the Combined Authority and the four South Yorkshire metropolitan councils seeking their individual consents to the making of the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Election of Mayor) (Amendment) Order 2017. This amendment Order would postpone the mayoral election until 3 May 2018 with subsequent elections every four years thereafter. The Department for Communities and Local Government requested a response by close of play on 1 February 2017. The time limit gave no opportunity to seek a decision on consent from Cabinet and the Chief Executive gave consent on behalf of the Council in accordance with the delegation previously granted to her.

Recommendations:

That Cabinet note the current position on implementation of the Sheffield City Region Devolution Deal.

List of Appendices Included

None

Background Papers

- Report to the meeting of Council on 2 March 2016 "The Sheffield City Region Devolution Deal"
- Report to the Cabinet and Commissioners' Decision Making Meeting on 11 July 2016 "Implementation of the Sheffield City Region Devolution Deal and Scheme Consultation".
- Letter from the Department of Communities and Local Government dated 30 January 2017 regarding the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Election of Mayor) (Amendment) Order 2017

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)

Devolution Update

1. Recommendation

That Cabinet note the current position on implementation of the Sheffield City Region Devolution Deal.

2. Background

- 2.1 At its meeting on 2 March 2016 Council received a report on the Sheffield City Region Devolution Deal and endorsed the in principle Sheffield City Region Devolution Agreement and delegated authority to the Chief Executive (in consultation with the Leader and Commissioners as appropriate to consent to an order providing for the creation of the mayoral combined authority but not an order conferring any functions on the mayoral combined authority.
- 2.2 At its meeting on 11 July 2016 the Cabinet received a report on Implementation of the Sheffield City Region Devolution Deal and Scheme Consultation and noted that a statutory consultation exercise was to take place, led by the Sheffield City Region Combined Authority, on the Scheme setting out the way in which the new mayoral combined authority would operate in terms of its additional powers and functions and related changes in governance.
- 2.3 The Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Election of Mayor) Order 2016 was made on 21 July 2016 after the Combined Authority and the four South Yorkshire metropolitan councils had given their consent. The Chief Executive gave consent on behalf of the Council in accordance with the delegation previously granted to her. The Order provided for there to be an election on 4 May 2017 for a mayor, with a further election in 2020 and elections every four years thereafter.
- 2.4 In July and August of 2016 the Combined Authority undertook a consultation designed to implement its Devolution Deal. Proposals in the document included the intention for Chesterfield and Bassetlaw to be constituent members of the Combined Authority as well as providing the powers required to deliver the Devolution Deal.
- 2.5 In September 2016, Derbyshire County Council made a legal claim that the Combined Authority's consultation was misleading. On 9-10 November 2016, the case was considered at the High Court in London. The Court's judgement, given on 21 December 2016, confirmed that Sheffield City Region's extensive and wide-ranging consultation, undertaken in July and August 2016, would not be quashed. The judgement did, however, raise the need to carry out further consultation to address the proposed governance changes in Chesterfield.

- 2.6 Following the Judgement at the end of December, and the need to undertake additional consultation, it is now not considered possible to hold a Combined Authority election in May 2017. On 30 January 2017 the Department for Communities and Local Government wrote to the Combined Authority and the four South Yorkshire metropolitan councils seeking their individual consents to the making of the Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Election of Mayor) (Amendment) Order 2017. This amendment Order would postpone the mayoral election until 3 May 2018 with subsequent elections every four years thereafter. The Department for Communities and Local Government requested a response by close of play on 1 February 2017. The time limit gave no opportunity to seek a decision on consent from Cabinet and the Chief Executive gave consent on behalf of the Council in accordance with the delegation previously granted to her.

3. Key Issues

- 3.1 The Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Election of Mayor) (Amendment) Order 2017 will now be laid before Parliament and will postpone the mayoral election previously set for May 2017 to May 2018

4. Options considered and recommended proposal

- 4.1 This report provides an update on the Devolution Deal and recommends that Cabinet note the current position on implementation of the Sheffield City Region Devolution Deal

5. Consultation

- 5.1 The consultation previously undertaken by the Sheffield City Region Combined Authority is referred to above.

6. Timetable and Accountability for Implementing this Decision

- 6.1 Further update reports will be provided as there is further progress on the implementation of the Sheffield City Region Devolution Deal.

7. Financial and Procurement Implications

- 7.1 Taking forward and realising the City Region's Devolution Deal poses a significant financial opportunity for the Sheffield City Region. For example, this would provide the area with an additional £900m of funding for economic development. Furthermore, the area would be able to retain 100% of all business rate growth experienced, above the forecast baseline. As announced in the Autumn Statement, as a Mayoral Combined Authority the City Region would be able to benefit from wider borrowing powers, representing a significant opportunity to successfully manage the area's investment profile. Consequently, taking forward the Devolution Deal is an important financial opportunity for the Combined Authority.

8. Legal Implications

8.1 The legal implications are set in the body of this report.

9. Human Resources Implications

9.1 Not applicable.

10. Implications for Children and Young People

10.1 There are no direct implications for 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 As set out in the report.

13. Risks and Mitigation

13.1 If the proposed 2017 Order is not made this would mean that an election would take place in May 2017. This would be on the basis of a South Yorkshire only electoral geography, with the Mayor's only power being the ability to chair meetings of the Combined Authority. As such this is considered to be a suboptimal model for the Sheffield City Region.

14. Accountable Officer(s)

Assistant Director Legal Services and Assistant Chief Executive

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

Summary Sheet

Cabinet and Commissioners' Decision Making Meeting – 13th February 2017

Title

December Financial Monitoring Report 2016/17

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

This is not a key decision, but has been included on the Forward Plan

Strategic Director Approving Submission of the Report

Judith Badger – 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

This report sets out the financial position for the Revenue Budget at the end of December 2016 and is based on actual costs and income for the first nine months of the financial year and forecast costs and income for the remaining three months of 2016/17.

The revenue position, before adjusting for the additional budget allocation approved by Council on 7th December, shows a forecast overspend of £10.391m after currently identified management actions. The additional in-year budget approval has reduced the forecast overspend down to £2.543m. The forecast overspend has increased by £768k since the November report.

It is currently anticipated that around £1.0m of the forecast overspend could be funded from in year capital receipts and a further £1.2m of spend in relation to Highways could be capitalised. Therefore, based on the current forecast, this would reduce the potential call on reserves to £343k.

The additional budget approval has to be funded and the extent to which in year revenue spend across the whole Council cannot be reduced, will inevitably impact the Council's reserves.

The December Council report approved additional in-year funding to address pressures, predominantly in Children's services (£7.848m) and £608k for new investments for Adults, Children's and Corporate services which will enable the delivery of significant savings in future years. The report also approved additional funding for 2017/18 of £11.005m which has been built into the Medium Term Financial Strategy and specific budget plans for next year.

To help mitigate the potential impact on reserves, robust controls have been implemented to drive down costs over the remaining months of the financial year with Directorates proactively considering what spend can be stopped, scaled back or delayed. Whilst the total costs avoided and delayed are not known (as it would be administratively burdensome to collect this detail) it is known that as a minimum £1.5m spend has been avoided or delayed to date. The key controls implemented are:

- The newly established Workforce Management Board is closely scrutinising and deciding on all requests for recruitment, the engagement of agency staff / consultants, and overtime requests.
- Procurement controls – all orders in respect of revenue spend on the Council's procurement system now require senior management (M3 or above) approval. The senior manager is also required to provide reasons to justify their authorisation.
- Budget 'deep dives' continue to progress to look at all planned spend which has not yet happened but is included in Directorate's forecast outturns to determine what spend can be stopped, scaled back or delayed.

The above actions will have due regard for the safeguarding of vulnerable children and adults, the needs of clients and the potential impact on the citizens of Rotherham.

The majority of the approved budget savings for 2016/17 have or are being achieved, the main exception being the £1 million saving from the review of staff terms and conditions of employment agreed by Council in March 2016 which will not now be delivered in 2016/17. Positive, constructive discussions with the Trade Unions have been taking place about how this saving can be achieved. If the proposals to deliver the saving are supported, it is the intention that they will be implemented from April 2017 and will deliver the £2m full year effect saving for 2017/18. The non-delivery of the 2016/17 £1m saving is reflected in the forecast outturn in this report.

There is also a significant forecast overspend (£5.591m) on the Dedicated Schools Grant (DSG) High Needs Block; an increase of £86k since last month. This is a forecast increase in overspend of £4.6m in a nine month period. Whilst this doesn't affect the Council's financial position directly at this time it is imperative that the recovery strategy reported in September Financial Monitoring Report to Cabinet is implemented in order to address this position and avoid any risk to the Council in the future. Options for consultation regarding addressing the High Needs overspend were taken to Schools Forum on the 9th December. At a further meeting on 13th January 2017 the Council notified the Forum of its intention to transfer £3m of funding from the Schools Block to the High Needs Block in 2017/18 and this will

contribute significantly to address the High Needs Block deficit. A detailed Sufficiency Strategy and Financial Plan to address the remaining deficit and the future level of service provision will now be discussed and consulted upon at the 8th March 2017 Schools Forum meeting.

Clifton Community School is now scheduled to convert to a sponsored Academy on 1st March (previously it was reported that the conversion would take place in February 2017). The school has an estimated deficit of £1.2m. A reserve of £1.2m was created in finalising the 2015/16 accounts specifically to mitigate deficit balances falling on the Council as a result of sponsored academy conversions during 2016/17.

In response to reduced Government funding, the Council needs to reduce its net spending by £24m in 2017/18 and around a further £42m in the following two years. A robust budget for 2017/18 is presented for consideration by Cabinet elsewhere on this agenda before being referred to Council on 8th March for approval.

Control over spending is critical to a robust medium term financial strategy as unplanned spending impacts on reserves levels which are the bedrock of a financially stable organisation and unplanned spending depletes reserves.

Appendix 1 to this report shows the detailed reasons for forecast revenue under and over spends by Directorate after management actions which have/are already being implemented.

Recommendations

Revenue

That Cabinet:

- Notes the current 2016/17 forecast overspend of £343k after management actions, use of in-year capital receipts, capitalisation of highways spend and the allocation of additional in year budget. (Paragraph 3.1)
- Notes and endorses the specific actions being implemented to challenge planned spend between now and the end of March to reduce the forecast overspend and minimise the call on reserves. (Paragraph 2.7)
- Recommend any additional actions which could be implemented to help manage down the current forecast overspend.
- Notes that a detailed Dedicated Schools Grant (DSG) High Needs Sufficiency Strategy and Financial Plan to address the remaining deficit and future level of service provision will now be discussed and consulted upon at the 8th March 2017 Schools Forum meeting. (Paragraph 3.14)

List of Appendices Included

Appendix 1 – Detailed Directorate analysis of revenue forecast under and overspends

Background Papers

Revenue Budget and Council Tax Setting Report for 2016/17 to Council 2nd March 2016

November 2016/17 Financial Monitoring Report to Cabinet – 9th January 2017

MTFS Update Report to Cabinet and Council - 14th November 2016 and 7th

December respectively

Consultation with Strategic Directors

Consideration by any other Council Committee, Scrutiny or Advisory Panel

Yes – Overview and Scrutiny Management Board – 17 February 2017

Council Approval Required

No

Exempt from the Press and Public

No

1. Recommendations

That Cabinet:

- 1.1 Notes the current 2016/17 forecast overspend of £343k, after management actions, use of in-year capital receipts, capitalisation of highways spend and the allocation of additional in year budget. (Paragraph 3.1)
- 1.2 Notes and endorses the specific actions being implemented to challenge planned spend between now and the end of March to reduce the forecast overspend and minimise the potential call on reserves. (Paragraph 2.7)
- 1.3 Recommend any additional actions which could be implemented to help manage down the current forecast overspend.
- 1.4 Notes that a detailed Dedicated Schools Grant (DSG) High Needs Sufficiency Strategy and Financial Plan to address the remaining deficit and future level of service provision will now be discussed and consulted upon at the 8th March 2017 Schools Forum meeting. (Paragraph 3.14)

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.
- 2.2 Delivery of the Council's Revenue Budget and Medium Term Financial Strategy, and Capital Programme within the parameters agreed by Council 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 This report sets out the financial position at the end of December and is based on actual costs and income for the first nine months of the financial year and forecast costs and income for the remaining three months of 2016/17.
- 2.4 The current position shows a forecast revenue overspend of £343k after currently identified management actions, use of in-year capital receipts, capitalisation of highways spend, and after the allocation of £8.456m additional budget in 2016/17 by Council on 7th December 2016. There is also a significant overspend on DSG which has now reached over £5.6m.
- 2.5 The additional 2016/17 budget approval has to be funded and the extent to which in-year revenue spend across the whole Council cannot be reduced, will inevitably impact the Council's reserves and future financial sustainability.

- 2.6 The majority of the approved budget savings for 2016/17 are being achieved, the main exception being the £1 million saving from the review of staff terms and conditions of employment agreed by Council in March which will not now be delivered in 2016/17. Positive, constructive discussions with the Trade Unions have been taking place about how this saving can be achieved. If the proposals are supported it is the intention that they will be implemented from April 2017 and will deliver the £2m full year effect saving for 2017/18. The non-delivery of the £1m saving in the current year is reflected in the forecast outturn in this report.
- 2.7 To reduce the significant forecast overspend the following controls have been implemented:
- The newly established Workforce Management Board is scrutinising and deciding on all requests for recruitment, the engagement of agency staff / consultants, and overtime requests
 - Procurement controls – all orders in respect of revenue spend on the Council's procurement system now require senior management (M3 or above) approval. The senior manager is also required to provide reasons for justifying their authorisation.
 - Budget 'deep dives' continue to progress to look at all planned spend which has not yet happened but is included in Directorate's forecast outturns to determine what spend can be stopped, scaled back or delayed.
- 2.8 This action is essential if the Council is to reduce spending as soon as possible and minimise the use of reserves. All actions implemented will have due regard for the safeguarding of vulnerable children and adults, the needs of clients and the potential impact on the citizens of Rotherham.
- 2.9 There is also a significant forecast overspend (£5.591m) on the Dedicated Schools Grant (DSG) High Needs Block. This is a forecast increase in overspend of £4.6m in a nine month period. Whilst this doesn't affect the Council's financial position directly at this time it is imperative that the recovery strategy reported in September Financial Monitoring Report to Cabinet is implemented in order to address this position and avoid any risk to the Council in the future. Options for consultation regarding addressing the High Needs overspend were taken to Schools Forum on the 9th December. A detailed Sufficiency Strategy and Financial Plan to address funding and provision will now be discussed and consulted upon at the 8th March 2017 Schools Forum meeting.
- 2.10 Clifton Community School is now scheduled to convert to a sponsored Academy on 1st March 2017 (previously it was reported that conversion would take place in February 2017). The school currently has an estimated deficit of £1.2m. A reserve of £1.2m was created in finalising the 2015/16 accounts specifically to mitigate deficit balances falling on the Council as a result of sponsored academy conversions during 2016/17.

- 2.11 In response to reduced Government funding, the Council needs to reduce its net spending by around £42m for the two years 2018/19 and 2019/20. It also has to deliver savings of £24m in 2017/18. A robust budget for 2017/18 is presented for consideration by Cabinet elsewhere on this agenda for approval by Council on 8th March. Control over spending is critical to a robust medium term financial strategy as unplanned spending impacts on reserves levels which are the bedrock of a financially stable organisation and unplanned spending depletes reserves.
- 2.12 Appendix 1 to this report shows the detailed reasons for forecast under and over spends by Directorate after management actions which have/are already being implemented.

3. Key Issues

- 3.1 Table 1 below shows the summary forecast revenue outturn position by Directorate. The table shows the forecast outturn position after any management actions which have already been quantified and implemented. As Directorates agree further management actions to mitigate forecast overspends these will be incorporated into the January Financial Monitoring Report (Estimated Outturn 2016/17). The annual budgets have been updated to include the additional Council budget approvals, agreed 7th December 2016 and the Adult Social Care budget also now includes the £1m social care contingency budget which transferred from Central Services following Cabinet approval on 12th December. A more detailed analysis of each of the Directorate's forecast under and overspends is included in Appendix 1.

Table 1 below also shows the change in forecast outturn by Directorate/Service between the November and December budget monitoring cycles.

Table 1: December Cumulative - Forecast Revenue Outturn 2016/17

Directorate / Service	Revised Annual Budget 2016/17	Forecast Outturn 2016/17	Forecast Variance (over (+) / under (-) spend) AFTER management actions	Change in Variance Nov to Dec (- = better / + = worse)
	£'000	£'000	£'000	£'000
Children & Young People's Services	63,225	64,805	+1,580	+1,032
Adult Care & Housing	68,289	71,801	+3,512	-2
Regeneration & Environment Services	46,346	45,069	-1,277	-109
Finance & Customer Services	15,376	14,956	-420	-112
Assistant Chief Executive	5,496	5,399	-97	-41
Capital Financing, Levies and Central Services	9,245	8,490	-755	0
SUB TOTAL	207,977	210,520	+2,543	+768
LESS:				
Use of Capital Receipts Flexibilities	0	-1,000	-1,000	-1,000
Highways Capitalisation	0	-1,200	-1,200	-1,200
TOTAL (after adjustments)	207,977	208,320	+343	-1,432
Public Health (Specific Grant)	17,157	17,157	0	0
Dedicated Schools Grant (Non Delegated)	20,440	26,114	+5,674	+86
Housing Revenue Account (HRA)	83,584	79,214	-4,370	-233

It should be noted the above £343k forecast overspend is after the proposed use of £8.456m of reserves for 2016/17, the utilisation of in-year capital receipts flexibilities and the capitalisation of £1.2m Highways related spend.

The following sections (paragraphs 3.2 to 3.37) provide key reasons for the forecast level of annual revenue under or overspend within Directorates. More detailed information is included in Appendix 1.

Children & Young People's Directorate (+£1,580k forecast overspend after additional funding for demand cost pressures of £7.578m)

- 3.2 The December revenue full year forecast is £1.580m over budget after adjusting for the additional in year budget allocation of £7.578m to address the Directorate's demand cost pressures. The forecast overspend has increased by £1.032m since the November report. The key reasons for the £1.032m increase are:

- Following review, an extension to the planned end date for residential care placements beyond December 2016 (£514k)
 - 5 new residential Out of Authority placements (+£315k)
 - 18 new independent fostering placements (+£99k)
 - Extension to agency & Interim contracts (+£104k)
- 3.3 The in-year budgetary position for Children's Services remains challenging and reflects the national picture of growing looked after children (LAC) numbers. The original LAC budget would support approximately 400 placements, 89 less than Rotherham's total of 489 LAC as at 31st December 2016. There has been a requirement to engage a significant number of agency social workers and team managers to fill vacant posts and to secure the right knowledge, skills and leadership and reduce average caseloads to a reasonable level. The staffing budget pressure will gradually reduce as new social care employees are appointed and allocated appropriate caseloads.
- 3.4 As reported last month, Operation Stovewood, an active National Crime Agency (NCA) operation, is being progressed with the support of Children's Services. This operation will result in additional costs of £124k being incurred. A funding bid to address these additional resource requirements has been made however, should the funding not be received this may result in a further cost pressure in 2016/17. This is reflected in the reported outturn position for this month.
- 3.5 First Response, which includes Rotherham's Multi-Agency Safeguarding Hub (The MASH), and the Child Sexual Exploitation Team (EVOLVE) are two examples of services that have had to engage additional agency staff over the approved social care establishment budget. These services alongside other pressure areas such as locality social work teams, Safeguarding and Social Care Management have largely been addressed through the additional funding for demand cost pressures ratified by Council on 7th December.
- 3.6 The Children in Care Service is projecting an over spend of £1.594m. The adverse movement in the variation is due to additional staffing costs for reasons outlined above; a position accentuated for a time limited period resulting from dual working as recently appointed newly qualified social workers work alongside existing agency staff to ensure the smooth and successful transition of caseloads. There continues to be mounting pressure on the LAC placements budget which includes the cost of Independent Fostering Placements, Out of Authority provision and Fostering Allowances. If numbers continue to increase then there will be further pressure on social care budgets and a risk that the reported position will worsen before the end of the financial year.

- 3.7 At the end of September with actual LAC numbers at 448, the service and finance agreed a forward projection up to 460 by the end of March 2017 based on demand over the preceding period. There has been a significant increase in demand beyond the level forecast – the current number of LAC is 489 (31st December). The December forecast has therefore been re-modelled to include further phased growth at approximately four placements per month to 500 LAC by 31st March 2017. Current budget proposals seek to address the growing number of LAC and change the proportion of placement settings in favour of in-house foster care.
- 3.8 Expenditure on Leaving Care allowances has doubled over the last two years. This is due to a number of reasons including: a reduction in Supporting People funding; closure of Nelson Street as the building was not fit for purpose - meaning six placements had to be commissioned through other providers at a premium; Staying Put costs exceed the grant support received (£71k grant compared with £188k costs due to higher numbers and higher costs of placements); and generally there are more placements at higher costs. Remedial action is being put in place to address the rising costs and includes: reviewing placements to ensure provision is appropriate; providing lower cost accommodation for over 18s through a transitional landlord scheme and in partnership with Housing; and increasing lower cost provision via new providers.
- 3.9 The forecast outturn on the Special Educational Needs and Disabilities (SEND) budget, within Education and Skills, is now an under spend of £102k. There remains a forecast overspend on School Effectiveness due to reduced income assumptions (£193k) although this is offset by savings arising from vacancy management within Children's centres (-£258k).

CYPS Recovery Strategy Update

- 3.10 The service is committed to implementing management actions to mitigate the impact of the pressures reported above and has identified £261k of in-year savings which includes a further vacancy freeze (£89k), placing on hold planned spend on publicity (£10k) and transferring further allowable expenditure to DSG (£162k).

A great deal of progress has been made in recruiting to permanent positions this year. To date 60 permanent positions have been filled through the success of the CYPS Resourcing Team who have brought new and innovative methods to the search for the best social care professionals.

- 3.11 There can often be a period of between two and four months from the end of the recruitment process to a new officer starting in post. The Social Care Service aim to release agency staff within two weeks of a permanent employee's start date. Recruitment activity was particularly successful over the summer and into autumn.

Dedicated Schools Grant

3.12 The Directorate is also currently forecasting an over spend on its Dedicated Schools Grant (DSG) High Needs Block of £5.591m. At the end of 2015/16 the outturn position showed an overall underspend of £24k on the non-delegated DSG, comprised as follows:

- Early Years Block: £0.430m Underspend
- Schools Block: £0.598m Underspend
- High Needs Block: £1.004m Overspend

3.13 The current forecast outturn for 2016/17 is estimating a £5.674m over spend:

- Early Years Block: £0.000m Balanced
- Schools Block: £0.083m Overspend
- High Needs Block: £5.591m Overspend

3.14 The service has developed a Recovery Strategy, which was included in the September and October Financial Monitoring Reports to Cabinet. The latest High Needs position was presented to Schools Forum on the 9th December.

3.15 At the meeting of Schools Forum on 13th January 2017 the Council informed the Forum that it intended to transfer £3m of funding from the Schools Block DSG allocation in 2017/18 to the High Needs Block to part fund the estimated 2016/17 deficit. This transfer will happen during 2017/18 and will reduce the forecast deficit reported above to £2.6m in 2017/18. The consequence of this is that £3m less funding will be allocated directly to schools.

3.16 A detailed Sufficiency Strategy and Financial Plan to address the remaining deficit and future level of provision will be discussed and consulted upon at the 8th March 2017 Schools Forum meeting.

Adult Services (+£4.227m forecast overspend) and Housing (-£715k forecast underspend)

3.17 The Directorate is currently forecasting an overspend of £3.512m across the two main functions of Adult Care and Housing after mitigating actions agreed by the Directorate Management Team. This position also reflects the allocation of the £1 million Social Care contingency budget to Adult Social Care as approved by Cabinet on 12th December 2016. The forecast is stable and is the same as that reported in November.

3.18 Adult Care Services are currently forecasting an overall overspend of £4.227m after mitigating actions. The main budget pressures continue to be in respect of Direct Payments and Managed Accounts, Residential and Domiciliary care across all client groups.

- 3.19 The main budget pressure within the Directorate continues to be the increased demand for Direct Payments and Managed Accounts (£2.9m). This forecast pressure includes the full year impact in 2016/17 of the 29% increase in clients receiving a Direct Payment in 2015/16. The increase in client base is due to a mixture of demographic pressures and clients moving from a domiciliary care contract. In total this has seen 180 new clients in 2015/16, plus an additional net increase of 52 (+4.3%) new clients since April 2016.
- 3.20 A task group established to review Direct Payments is still in place and continues to analyse high cost care packages to ensure they are appropriately aligned to client need and to review the processes and procedures associated with assessment to ensure they are fit for purpose. An action plan is being developed by senior managers to address the ongoing issues, which includes reviewing Managed Accounts and capacity within the service to carry out the reviews. Assumptions around the financial impact of this are reflected in the forecast outturn.
- 3.21 There are also pressures on the residential and nursing care budgets across all client groups as a result of an increase in the average cost of placements and lower than forecast 'Continuing Health Care' income contributions against the approved budget (forecast overspend of £1.1m across all client groups). The Assistant Director of Commissioning is providing oversight on the review of Learning Disability high cost placements which is anticipated to make significant savings (£1.380m); £115k has been achieved to-date.
- 3.22 There is also a forecast budget pressure of £1.2m in respect of the provision of Domiciliary Care across all client groups due to an increase in the number of clients (111) and a 9% increase in the number of commissioned and delivered hours plus a recurrent income pressure on fees and charges (£300k).
- 3.23 The above forecast overspends are being partially reduced by projected underspends within Learning Disability Day Care Services and Supported Living provision due to higher than anticipated staff turnover (-£554k) and higher than anticipated staff turnover in social work teams (-£305k), plus a review of the training programme delaying some training into 2017/18 (-£70k).
- 3.24 Neighbourhood services' (Housing) latest forecast is an underspend of -£715k mainly due to the recruitment to staff vacancies being put on hold pending the outcome of a review of the Neighbourhood Partnerships service plus further additional income from the Furnished Homes scheme.

Adult Care & Housing – Recovery Strategy Update

- 3.25 The demand for residential placements is reducing however budget pressures remain due to the increasing cost of care packages. However, the demand for domiciliary care and direct payments is increasing. There are also underlying budget pressures from unachieved budget savings from previous years, for example, Continuing Health Care funding and a reduction in the level of client contributions to services after financial assessment. A number of management actions have been put in place to reduce the forecast overspend within the Adult Care and Housing Directorate.

- 3.26 The continued review of out of area and high cost care packages across all services to identify opportunities to reduce costs and rigorously pursue all Continuing Health Care funding applications with the Clinical Commissioning Group remains operational. To date a total of £288k savings have been achieved against management actions of £1.090m. Weekly budget meetings are held with senior managers to review in detail the budget forecasts, monitor demographic pressures and identify further savings opportunities and mitigate the pressures. All spend is now being authorised by Heads of Service and above. Further progress continues on the delivery of the Adult Services Development Programme to improve the outcomes for service users and this is largely on track to deliver the 2016/17 approved savings included in the budget setting process.
- 3.27 Other management actions include the introduction of a Practice Challenge Group (PCG) which meets bi-weekly to review and challenge all care assessments prior to discussion with users and carers.
- 3.28 Further investment was approved by Council in December for a brokerage team and additional resources to review Direct Payments and Managed Accounts, which should lead to further reductions in expenditure in the final quarter of the financial year.

Public Health (Forecast balanced outturn)

- 3.29 The forecast outturn is to spend to budget at this stage including a transfer to the Public Health Reserve. This forecast outturn takes into account the Government's 2016/17 reduction in grant funding which has largely been mitigated through the use of the balance on the Public Health grant reserve.

Regeneration and Environment Services (-£1.277m forecast underspend)

- 3.30 The Regeneration and Environment Directorate Management Team have reviewed the forecast outturn position following the December monitoring cycle. The Directorate is now reporting a forecast underspend of £1.277m following the agreed implementation of a number of additional management actions to help address the Council's overall overspend position that were identified in the 2016/17 budget 'deep dive'. This is a further improvement of £109k on the position reported last month.

- 3.31 Detailed information on the key forecast variances that make up the overall underspend of £1.277m are included in Appendix 1. This net underspend consists of a number of overspends and underspends; in summary, the main forecast overspends within the Directorate remain within Street Scene Services (£180k), Transportation (£87k), Planning and Building Control (£158k), and Community Safety and Streetscene Corporate Accounts (£90k). These forecast overspends are fully mitigated by forecast underspends in other areas such as Facilities Management (-£557k), Rotherham Investment and Development Office (RIDO) (-£282k), Safer Neighbourhoods (-£260k) and Facilities Services (-£185k). Savings of £199k in Customer Services and Libraries (£150k) are fully mitigating the balance of savings that have not been realised in Culture and Customer Services in 2016/17.
- 3.32 The current Directorate forecast underspend excludes any pressure which may yet be incurred on the Winter Maintenance budget. This is weather dependent and is highlighted as a risk at this stage.

Finance & Customer Services (-£420k forecast underspend)

- 3.33 Overall the Directorate is forecasting an underspend of -£420k. This is an improvement of £112k since the November monitoring report and is largely as a result of the spend moratorium. The main pressures relate to a forecast overspend on statutory and planning notices (£62k) and unachievable income targets within central and planned print (£91k), partially offset by vacant posts within that service (-£54k).
- 3.34 The above Directorate pressures are fully mitigated by underspends within Electoral Services (-£9k), staffing underspends within Procurement due to vacant posts (-£81k), reduced pension charges and training budget underspends (-£23k), staffing savings from vacancies within Internal Audit (-£37k), Financial Services (-£131k), Customer, Information and Digital Services (CIDS) (-£56k) and an underspend in the Revenues and Benefits service from vacant posts and maximising flexibility in the use of grant funding (-£175k).

Assistant Chief Executive (-£97k forecast underspend)

- 3.35 Overall the Directorate is forecasting to deliver an underspend of -£97k; a further improvement of £41k since the November report. However, there are various forecast pressures and savings within this that should be noted. The main forecast pressure in Communications and Media of £118k is in respect of additional staff costs (£71k), subscription and system costs (£30k) and reduced income generation within the Design Studio (£17k). There are also increased staff cost pressures due to increased management support arrangements (£34k).
- 3.36 These pressures are fully mitigated by staff cost savings within Policy and Partnerships -£89k, additional one year funding from Local Government Association (LGA) -£31k, reduced costs relating to members including Member Allowances -£152k, vacant posts within the HR and Payroll service and from a number of management actions agreed across the Directorate to ensure spend is minimised where it is appropriate to do so.

Corporate & Central Services (-£755k forecast underspend)

- 3.37 The Corporate and Central services forecast now assumes that a £755k underspend will be delivered, and will be used to help mitigate the Council's overall current forecast overspend.

This net forecast underspend includes key components:

- Non-delivery in 2016/17 of the budgeted savings in relation to changes in staff terms & conditions of £1m;
- Cost of legal investigations (£140k);
- A forecast £1.4m underspend on the capital financing budget as a result of the Council being able to reschedule a market loan, changing interest rate forecasts post-Brexit Referenda, and a reduced borrowing need in year;
- Less superannuation payments to the South Yorkshire Pensions Fund than budgeted creating a forecast saving of £338k this financial year;
- The cost of the Integrated Transport Authority and Coroners levies are less than budgeted by £244k; and
- £304k forecast reduction in the level for Education Support Grant from the Department for Education due to the increased number of schools now expecting to convert to academies by the year end. (The grant is scaled back each quarter as further schools convert).

Housing Revenue Account (HRA) – (Forecast -£4.370m underspend)

- 3.38 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 -£4.370m mainly due to delays in the strategic acquisitions programme until 2017/18. There is also a forecast underspend in respect of housing repairs (-£180k), lower than anticipated HRA capital financing costs (-£180k), a forecast underspend on the provision for bad debts (-£296k) and additional rental income due to more property acquisitions than budgeted plus a reduction in loss of income through void properties (-£650k).

Collection Fund

- 3.39 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.

4. Options considered and recommended proposal

- 4.1 With regard to the current forecast revenue overspend, significant management actions have been implemented (paragraph 2.7) and the impact of these will be included in future financial monitoring reports to Cabinet.

- 4.2 It is inevitable that to the extent that spend cannot be reduced in year or be legitimately capitalised, there will be an impact on the Council's reserves.

5. Consultation

- 5.1 Budget Managers, Holders and Operators across the Council and the Strategic Leadership Team (SLT). Regular budget challenge meetings are taking place to review the forecast positions for each Directorate before they are finalised with the aim of improving the Council's overall forecast position. These involve each Directorate Management Team, the relevant Cabinet Members, the Cabinet Member for Finance and the Assistant Director of Finance.
- 5.2 The continuing approach to treasury management has been discussed with the Council's External Treasury Management Advisors, Capita Asset Services, who have confirmed that this is a prudent approach given current market conditions.

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 Financial Monitoring reports are taken to Cabinet and Overview and Scrutiny meetings during the year. The next Financial Monitoring Report to Cabinet will be the Estimated Outturn report for 2016/17.

7. Financial and Procurement Implications

- 7.1 There is currently a projected overspend of £343k after management actions and specific financial details and implications are set out within section 3 of this report. It is imperative that this forecast overspend is addressed as much as possible over the remainder of the year. Strict management of spend will remain in place within all Directorates in order that the required use of reserves to fund the additional budget approval by Council on 7th December is minimised and the call on reserves is, at least, no greater than the additional investment approved by Council on 7th December 2016.
- 7.2 The Council needs to identify savings and cost reductions of £24m in 2017/18 and around a further £42m in the following two financial years. Budget proposals to deliver this are reported elsewhere on this agenda.
- 7.3 Recognising the likely need to use reserves to fund some of this in the short term, the Council's current financial (financing) plans have been reviewed to consider a variety of options for re-profiling the current planned use of reserves and to identify any areas of spend that can be properly capitalised in order to reduce the pressure on the revenue budget.

- 7.4 The means of funding the in-year additional budget approval will be contained within the Outturn report once the final position is known however, an estimate of the Outturn is reflected in the 2017/18 Budget Report as part of the Reserves Strategy. The proposed means of funding the additional 2017/18 £11m investment is included in the 2017/18 Budget Report elsewhere on this agenda, for subsequent approval by Council on 8th March 2017.

8. Legal Implications

- 8.1 No direct implications.

9. Human Resources Implications

- 9.1 No direct implications.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 This report includes reference to the cost pressures on both Children's and Adults Social care and also refers to investments in those services.

11. Equalities and Human Rights Implications

- 11.1 No direct implications.

12. Implications for Partners and Other Directorates

- 12.1 No direct implications. As management actions are developed some of these may impact Partners. Timely and effective communication will therefore be essential in these circumstances.

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 further cost of CSE claims over and above that already provided for in the 2015/16 accounts or identified in-year to date is not included in this report.
- 13.3 Potential pressures on the winter maintenance budget arising from adverse weather are not reflected in this report.
- 13.4 There is a risk that the costs falling on the Council for sponsored academy conversions in- year may exceed the funding set aside for this purpose.

13.5 Although both Council Tax and Business Rates collection levels are on target there is a minimal risk that this could change during the remaining months of the year.

13.6 The Council's 2016/17 Budget included a requirement to fund the first £2m of severance costs from in-year capital receipts. The actual level of capital receipts for 2016/17 for the first nine months of 2016/17 is £2.302m. It is unlikely that there will be further capital receipts in the final quarter of 2016/17. The in-year receipts may be used to help mitigate some of the forecast overspend in this report. Their proposed use will be included in the Estimated Outturn report for 2016/17.

14. Accountable Officer(s)

Pete Hudson – Chief Finance Manager

Approvals Obtained from:-

Strategic Director of Finance and Customer Services:-
Judith Badger

Assistant 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>

Directorate:

Children & Young People's Services

Appendix 1

Budget Monitoring Period: April to December 2016

Service description	Forecast:		Nature of under/overspend:	Reason(s) for forecast under/overspend
	Overspend (+) £'000	Underspend (-) £'000	(eg. Staffing, Supplies & Services, income, etc)	
Child Sexual Exploitation team (EVOLVE)	55		Staffing	Costs of agency staff & interims over & above the available budget for vacant posts
Operation Stovewood	124		Staffing	Costs of initial team, including agency staff to check and screen enquiries from ongoing/active investigations. Funding bid (Fusion) with Government receiving ministerial consideration.
First response	72		Staffing	Costs of agency staff & interims over & above the available budget for vacant posts
Locality Social Work teams	70		Staffing, Direct payments	Pressure of using agency staff in the interim until vacancies are filled. This forecast allows for the full recruitment of the additional NQSW. Includes pressure on additional Direct Payments from an increase in numbers (83 cases in total) and from clients who have more complex needs.
Children's Rights Team, Safeguarding Board, Operational Safeguarding Unit	16		Staffing	Costs of agency staff over & above the available budget for vacant posts
Directorate and Social Care Management	167		Staffing, supplies & services	Interim costs and additional temporary recruitment of staff, recruitment agency costs and additional management support costs (£167k).

Children in Care staffing, Fostering allowances, Fostering placements, Adoption placements	2,362		Placements, staffing, allowances, supplies & services	Residential Out of Authority placements (£930k), Independent Fostering Placements (£840k). These forecasts allow for LAC numbers to be at 500 as at March 2017 and provide for more higher cost 16+ placements (£150k). Any increase above the current estimate of 500 will result in a further pressure on social care budgets. Cost pressure of using agency staff in the interim until vacancies are filled (+£53k). Also includes an additional £300k due to the extension of some residential placements beyond December (agreed at Panel 17/01/17).
Education, Health and Care assessment and processing, Special Educational Needs and Disability (SEND)		-102	Placements	Social care contribution towards Complex Needs placements. The realignment of costs has resulted in savings.
Rockingham PDC, School Music Service, School Effectiveness, School planning, admission and appeals	193		Income	Reduced income assumptions from traded activities
Training budget		-70	Staffing, supplies & services	Reduction in use of training development budget to mitigate overspend position
Residential homes		-750	Various	Savings expected to be achieved in year including the saving from the closure of St Edmunds. To be used to offset pressure on LAC placements budgets
Early Help Localities, Children's Centres		-258	Staffing, supplies & services	In year savings against Children's Centres. Forecast savings due to vacancy management
Locality Social Work (staff), Children in Care (consultation & publicity)		-99	Staffing, supplies & services	In year mitigations, vacancy freeze (£89k) and savings on consultation & publicity expenditure (£10k)
Early Years		-100	Various	Review of expenditure transferred to Early Years DSG Block
Early Help Localities		-100	Staffing	Additional savings from vacancy management
	3,059	-1,479		
	1,580			

Budget Monitoring Period: Forecast Outturn as at December 2016

Service	Forecast:		Nature of under/overspend:	Reason(s) for forecast under/overspend
	Overspend (+) £'000	Underspend (-) £'000	(eg. Staffing, Supplies & Services, income,	
<u>Adult Social Care</u>				
Adults General	28		staffing & Income	Project Officer employment contract extended to end December 2016 plus additional management support
<u>Older People</u>				
Independent Residential Care	565		Third Party Payments & Income	Budget pressure due to reduction in Care Act funding, plus Continuing Health Care budget shortfall (£260k). Number of placements reduced since April (-70) however, average net cost per client has risen costing additional £6,700 per week.
Direct Provision residential Care	26		Client Income	Income pressure as beds have been converted to intermediate care provision and are no longer eligible to be charged to clients plus reduction in full cost paying clients.
Enabling/Domiciliary Care	1,154		Third Party Payments	Continued increase in average weekly cost of Domiciliary Care due to additional demand (+111 clients, +11%), impact of national living wage plus recurrent budget pressure in respect of income from fees and charges (charges are based on financial assessments and currently 58% of clients do not pay towards the cost of their care).
Assessment & Care Management		-140	Staffing & Income	Non recurrent Health Funding brought forward from 2015/16 & Higher than anticipated staff turnover. Includes assumption that vacancies remain vacant for remainder of financial year.
Direct Payments	1,504		Third Party Payments	Full year impact of 46% increase in clients in 2015/16, reduced by Better Care Funding (£500k). Increase in client base is due to a mixture of demographic pressures and clients moving from a Domiciliary Care Contract, in total this has seen 168 new clients. Also an additional net increase of 13 new clients from April (+2.4%). Action being taken to review packages & reduce overall costs.
Extra Care/Day Care/Transport		-100	Staffing and Income	Higher than anticipated staff turnover. Forecast additional Income from the increase in charges from 1 January 2017 plus savings on review of non essential spend.
Client Community Support Services		-49	Staffing/Third Party Payments	Higher than anticipated staff turnover & delayed implementation of Advocacy Contract plus review of non essential spend.
<u>Learning Disabilities</u>				

Supported Living		-205	Staffing	Higher than anticipated staff turnover & Carers costs lower on Shared Lives schemes due to lower than anticipated take up.
Residential Care		-327	Third Party Payments & Income	Includes anticipated outcome of the review of high cost placements, the current forecast underspend is based on actual expenditure and activity less the calculated impact of service review and an increase in the level of Continuing Health Care Income recoverable by the service. Also included is the non achievement of the budget saving on in-house residential and respite care.
Day Care		-184	Staffing	Current Transport provision £135k pressure offset by higher than anticipated staff turnover plus efficiency savings on non essential spend. Service under review as part of Adults Transformation Programme and consultation now commenced.
Direct Payments	133		Third Party Payments	Full year impact of 30% increase in clients in 2015/16 offset by further savings as a result of management actions to review managed accounts (£40k). Additional 29 service users since April 2016 (+10%) includes an increase of 12 service users since last month.
Domiciliary Care/ community support		-40	Third Party Payments	Decline in demand for community support services
Health Authority Supported Living		-125	Third Party Payments	Savings from the change in provision from residential care to supported living schemes.
Assessment & Care Management	96		Third Party Payments	Additional cost of agency staff to undertake reviews of high cost care packages
<u>Mental Health</u>				
Independent Residential Care	496		Third Party Payments	Full year impact of high cost placements in 2015/16, including transfer of cost of a Rotherham resident placement by a Neighbouring Authority and loss of Continuing Health Care funding for another placement. Additional 3 placements since April.
Direct Payments	306		Third Party Payments	Full impact of 12% increase in demand in 2015/16 plus loss of one -off funding from Public Health. Includes expected savings as a result of reviewing managed accounts (£68k). Additional 10 service users since April (+7%) including 4 since last month.
Day Care/Community Support		-19	Staffing & Third Party	Contract Efficiency Savings & Higher than anticipated staff turnover
Assessment & Care Management		-165	Staffing	Higher than anticipated staff turnover
<u>Physical & Sensory</u>				

Direct Payments	929		Third Party Payments	Full impact of 10% increase in demand in 2015/16 plus additional increase of 20 clients since April 2016 (+10%) including additional 8 clients since last month. Includes savings as a result of management actions to review managed accounts (£238k).
Independent Residential Care	532		Third Party Payments	Full year impact of significant increase in client numbers in 2015/16 (12 placements - 5 new clients plus loss of CHC for 7 clients).
Domiciliary Care	50		Third Party Payments	Initial decrease in client numbers (-7%) but steady increase starting to emerge from September, also an increase in the average cost of care packages.
Day Care/Equipment/Advice & Information		-169	Third Party Payments/Supplies and Services	Reduction in demand for Independent Day care including transport plus savings from alternative provision of some day care services
<u>Safeguarding</u>		-188	Staffing & income	Higher than anticipated staff turnover & additional income from partners and fee income from administration of Court of Protection
<u>Housing Related Support</u>	72		Third Party Payments	Forecast shortfall in achieving 2016/17 budget savings on service contracts, partially offset by other minor variances.
<u>Commissioning & Performance</u>	47		Staffing & income	Temporary staff employed in commissioning plus reduction in contribution from HRA reduced by lower take up of new Advocacy contracts.
<u>Housing</u>				
Strategic Housing Investment	3		Staffing	Small forecast overspend due to lower than anticipated staff turnover
Housing Options		-627	Staffing/Income	Delay in recruitment to vacant post plus increase in fee income in respect of Furnished Homes scheme
Central Neighbourhood Partnerships		-9	Supplies and Services	Review of non essential spend plus small savings on insurance and pension costs
		-82	Staffing	Recruitment to staff vacancies on hold pending review of Neighbourhood Partnership services
Total	5,941	-2,429		
Net Under/Overspend	3,512			

Budget Monitoring Period: April to December 2016

Service	Forecast:		Nature of under/overspend: (eg. Staffing, Supplies & Services, income, etc)	Reason(s) for forecast under/overspend
	Overspend (+) £'000	Underspend (-) £'000		
Business Unit				Service Total (-£85k) underspend
Business Unit		-85	Staffing	Reduced training budget spend particularly in relation to the Health & Safety training programme -£65k. Reduced non-pay spend due to the moratorium. Small saving on pension costs.
Community Safety & Street Scene				Service Total (-£151k) underspend
Network Management		-67	Staffing, Supplies and Services & Income	Street Lighting -£64k from reduced energy bills following improvement works, additional Parking income -£10.3k, and staff savings due to vacant posts and some deferred expenditure in Streetworks -£11.3k. There are some small pressures totalling +£18.4k across the rest of Network Management. As in previous years there is a risk that the Winter Service budget will over spend (weather dependant).
Street Scene Services	180		Staffing, Supplies and Services & Income	Corporate Transport Unit has an overspend +£224k , due to delayed implementation of the savings proposals within the Corporate Transport Unit (CTU) +£81k, and Home to School Transport +£107k due to changes in demand. Stores +£33k due to a reduced income recovery from street lighting, lantern replacement programme. Depot +£3k mainly due to loss of parking bay income. Cleansing and Grounds Services net position -£44k - savings on the Community Services -£16K as a result of the vacant Grounds Maintenance Manager post. Cleansing Services +£48k pressure on Street Cleansing environment, based on the average of work undertaken to date on graffiti and fly tipping, this is being mitigated by savings across the rest of the Cleansing budgets -£70k. Grounds Maintenance small saving -£6k. A review of waste services is to be undertaken therefore reporting a break even position.

CSS Corporate Accounts	90	Staffing	Staff cost pressure in relation to the delay in implementing a staffing restructure plus additional management support costs.
Community Safety		-10 Staffing, Income	Some staff cost pressures fully mitigated additional grant income within Community Safety.
Business Regulation		-15 Staffing	Some staff cost pressures in parts of the service fully mitigated by staff vacancies in other parts of the service and -£5k due to a reduction in the expected spend on essential maintenance at chapels/cemeteries in Bereavement Services.
Safer Neighbourhoods		-260 Staffing & Supplies and Services	Predominantly staff budget savings through vacant posts.
EP & Health & Safety		-69 Staffing	Vacant posts and reduced in year spending in Emergency Planning (-£24k) and in Health & Safety (-£45k).
Culture, Sport & Tourism			Service Total (-£304k) underspend
Green Spaces	57	Premises & Income	Green Spaces under recovery of income at RVCP, partially mitigated across the rest of Green Spaces.
Sports Development	1		Staffing costs
Leisure Facilities	0	0	
Trees & Woodlands		-31 Staffing & Income	Staff savings £12k, and £19k over recovery of income.
Landscape Design		0 Income	Income projections now reflect a balanced forecast for the year end.
Leisure, Tourism & Green Spaces - General Management		-24 Staffing	A decision taken to capitalise some Green Spaces expenditure has freed up some revenue funding allocated for this purpose.
Tourism & Marketing		-61 Staffing	Staff saving due to vacant posts, -£60k. There is potential to recruit a consultant to undertake a key piece of work related to Rotherham Show, this may cause a small reduction on this variance.
Libraries		-150 Staffing & Supplies and Services	Staffing underspends whilst being in the consultation period -£56k and savings on non pay budgets -£89k, including a reduced spend on books and materials forecast at this stage in the financial year. Additional income from School Loans Service -£5k.
Cultural Services Management	210	Supplies and Services	This account is now showing the balance of the savings for 2016/17 which have not yet been allocated across Culture and Customer Services. These are fully mitigated by savings across the wider Directorate.
Customer Services		-199 Staffing, Supplies & Services and Income	Staff savings -£126k, with an improved income forecast due to confirmation of HRA and grant funding -£18k, and a review of non pay budgets (-£55k).
Heritage Service		0	Balanced budget reported
Theatres		-73 Staffing, Supplies and Services & Income	Vacant posts for part of the year and a small over recovery of income.

Museum, Galleries & Archives		-22	Staffing & Supplies and Services	Staff savings by non filling of vacant posts.
Culture, Sport & Tourism Management		-12	Staffing & Supplies and Services	Staff savings due to post holder commencing employment mid-October, partially offset by additional management support costs, and some unbudgeted staff costs.
Planning, Regeneration & Transportation				Service Total (-£737k) underspend
Estates	23		Staffing & Income	The capacity for income generation on this account is likely to be reduced due to a vacant post, and an increase in the amount of non fee earning jobs undertaken by the team which would previously have been paid for. This is being offset by some underspends across the service. Also, miscellaneous properties have a projected under recovery of income +£25k.
Facilities Management		-557	Premises & Income	Land and Property Bank - £230k due to the reduced estate. Facilities Management Team - £110k staff vacancies, and Corporate Property Portfolio -£126k underspend. An approval to capitalise some works is now reflected in an under spend on premises related costs -£142k. These are being partially reduced by some pressures - Community Buildings +£51k which includes (+£40k) due to the delay in the planned closure programme.
Building Design and Corporate Projects	2		Staffing & Income	Staff saving -£40k, and small non pay pressure +£3k plus +£39k forecast under recovery of income.
Corporate Environmental Team	14		Staffing & Supplies and Services	£7K overspend Carbon Reduction Commitment - payment higher than budgeted, £4k staff cost pressure, £3K overspend subscriptions.
Children's Capital Team		-37	Staffing	Income from Academy Schools for building officers support.
Corporate Property Management	6		Staffing	Staff cost pressure and increased insurance costs.
CYPS Property	66		Premises related costs	High levels of reactive maintenance and increased costs of building cleaning, partially offset by savings on closed properties.
R&E Property	30		Premises related costs	Increased costs due to reactive works.
ACH Property	14		Premises related costs	Increased costs due to reactive works.
Regeneration/Economic Development		-73	Income	Capitalisation of some costs relating to Pit House West which were previously charged to revenue.
Managed Workspace (Business Centres)	5		Premises related costs	Increased costs due to reactive works.

Management	22		Staffing	Increased costs on Employer Liability Insurance and contribution to increased management support costs.
Markets		0		Balanced budget reported
Planning & Building Control	158		Supplies & Services and Income	Under recovery of income +£122k pressure due to unachievable income targets. Non pay costs are over budget by +£89k. These are being partially mitigated by some staff savings -£54k.
Rotherham Investment & Development Office (RIDO)		-282	Income	DMT Star Chamber 3/8/16 - decision taken to adjust the forecast to use reserves and funding from Department of Business, Energy and Industrial Strategy (BEIS).
Transportation	87		Staffing and income	Highways - Small savings due to spend moratorium offset by the pressure on Design +£54k which is due to vacancy and sickness (unable to generate fee income). Transportation +£50k pressure due to reduced fee income (vacancies), cost of interim management arrangements and savings due to vacancy.
Facilities Services		-185	Staffing and income	Living wage increase lower than anticipated. Charges set on basis of higher living wage. The School Catering Service overspend is expected to be offset by use of the reserve and the figures reflect this adjustment.
School Crossing Patrol		-30	Staffing	Service making use of relief staff and minimal cover, on a risk assessment basis, rather than recruiting to vacant posts, in anticipation of future years savings.
Total	965	-2,242		
Net Under/Overspend	-1,277			

Directorate:

Finance & Customer & Corporate Services

Appendix 1

Budget Monitoring Period: Forecast Outturn as at December 2016

Service	Outturn Variance 2016/17		Nature of under/overspend: (e.g.. Staffing, Supplies & Services, income, etc)	Reason(s) for forecast under/overspend
	Overspend (+) £'000	Underspend (-) £'000		
Legal Services		-17	Staffing & Supplies & Services	Underspend on staffing due to vacancy control -£15k, underspend on other supplies - £2k.
Elections		-9	Staffing & Supplies & Services	Staff cost pressure £18k, projected overspend on postages £13k, projection for unbudgeted by-election £35k, offset by underspend on Municipal election due to shared May election -£75k
Statutory Costs	62		Supplies and services	Forecast overspend due to volume of statutory notices/planning notices and Local Plan Inquiry.
Business Unit	37		Staffing & Income	Unachievable income target relating to Central Print and Planned Print £91k, partially offset by vacant posts/maternity leave/reduction to contracted hours -£54k
CIDS		-56		Forecast underspend due to vacancy control.
Procurement		-81	Staffing, Supplies & Services & Income	Underspend on salaries due to vacancies within the team less cost of advertising -£95k, costs associated with service review £25k additional income relating to System Management Fee -£5k and grant towards Improvement and Development -£6k
Financial Services		-154	Staffing, Supplies & Services & Income	Underspend on staffing due to vacancy control -£131k, lower than anticipated pension charges (former employees) -£16k and underspend on training budget -£7k, unbudgeted transparency grant income -£13k, projected overspend on printing/insurance costs £13k.
Revenues & Benefits		-175	Staffing, income	Forecast underspend due to vacancy control and maximising flexible use of grants.
Internal Audit		-33	Staffing, Supplies & Services & Income	Staff underspend due to vacant posts -£37k and unbudgeted income -£27k, pressures within contracted services £31k
Directorate Wide	6		Supplies & Services	Pressures on printing, training
Total	105	-525		
Net Under/Overspend	-420			

Budget Monitoring Period: Forecast Outturn as at December 2016

Service	Outturn Variance 2016/17		Nature of under/overspend: (e.g.. Staffing, Supplies & Services, income, etc)	Reason(s) for forecast under/overspend
	Overspend (+) £'000	Underspend (-) £'000		
Communications and Media	118		Staffing & Supplies & Services, income	Unfunded Systems & Subscription costs £30k, staff pressures due to maternity leave/contract extension £71k. There is also an under achievement on income from Design studio £17k.
Democratic Services		-91	Staffing, supplies & services, income & Members allowances	Additional staff cost pressure £37k, estimated under achieved Town Hall Catering income £29K, offset by savings on members allowances and national insurance/pension payments and projected underspend on room hire/hospitality/travel/development costs for members -£152k, projected underspend on Town Twinning Events -£5k.
Human Resources (HR) & Payroll - Corporate Services	22		Staffing, supplies & services, income	There are staff pressures due to interim management arrangements and maternity cover costs and costs relating to Trade Union staff and cost of advertising Head of HR post (£91k in total), a loss of income from schools £35k. However these pressures are significantly offset by forecast additional income on the council's salary sacrifice schemes and recharges on staff advertisement -£99k and a delay in undertaking the Employee survey -£5k.
HR & Payroll - Service Centre		-57	Staffing, supplies & services, income	Loss of traded income from schools £20K, unachieved income on VAT reclaim from mileage receipts (£20K) and loss of income due to drop in demand for DBS checks £7k. Pressures on the printing/postages and contracted services budgets £40k. This is fully offset by underspends on salaries due to vacant posts, maternity leave and staff working less than contracted hours -£144k.
Policy and Partnerships		-130	Staffing, supplies & services, income	Staff underspend due to vacant posts -£89K, and use of additional 1 year funding from the Local Government Association (LGA) -£31K, projected underspend on Infrastructure & Corporate Initiatives budget -£10k.
Chief Executives Office	7		Staffing, Supplies & services	Additional pressures relating to printing, subsistence, transport costs
Management Support	34		Staffing	Additional staff pressure due to management support arrangements.
Total	181	-278		
Net Under/Overspend	-97			

Summary Sheet

Council Report

Cabinet and Commissioners' Decision Making Meeting – 13 February 2017

Title

Annual Renewal Applications for Business Rates Discretionary Rate Relief

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

Yes

Strategic Director Approving Submission of the Report

Judith Badger, Strategic Director, Finance and Customer Services

Report Authors

Diane Woolley – Team Leader, Local Taxation

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Ward(s) Affected

All

Summary

To consider 70 renewal applications for the award of a discretionary business rate relief for the organisations and premises listed in Appendix 1 of this report. This is in accordance with the Council's Discretionary Business Rates Relief Policy (approved 12 December 2016).

Recommendations

That the applications for discretionary business rate relief for the organisations listed in Appendix 1 of this report and in accordance with the details set out in Section 7 to this report be approved for one year only.

List of Appendices Included

Appendix 1 - Annual Renewal Applications for Business Rates Discretionary Rate Relief

Appendix 2 - Annual Renewal Applications for Business Rates Discretionary Rate Relief (Exempt)

Background Papers

Discretionary Rate Relief Policy - Approved 12 December 2016

Consideration by any other Council Committee, Scrutiny or Advisory Panel

The applications have been discussed with the relevant Cabinet Member and the Member is supportive of the rate relief application being approved.

Council Approval Required

No

Exempt from the Press and Public

Appendix 2 - Annual Renewal Applications for Business Rates Discretionary Rate Relief (Exempt) is exempt from the press and public under paragraph 3 (Information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Part I of Schedule 12A of the Local Government Act 1972 is requested, for this report addendum as it contains sensitive commercial information.

Annual Renewal Applications for Discretionary Rate Relief

1. Recommendation

- 1.1 That the applications for discretionary business rate relief for the organisations listed in Appendix 1 of this report and in accordance with the details set out in Section 7 to this report be approved for one year only.

2. Background

- 2.1 Section 47 of the Local Government Finance Act (LGFA) 1988 conveys power on local authorities to allow discretionary relief that would be additional to the mandatory relief. This is given when the property is used wholly or mainly for charitable purposes by a charity or other non-profit body whose main objects are charitable or benevolent, or concerned with education, social welfare, science, literature or the arts.

- 2.2 The Council can grant discretionary rate relief to:-

- Registered Charitable Organisations, including Community Amateur Sports Clubs. The relief granted is up to 20% of the rate liability as these organisations are eligible for 80% mandatory rate relief.
- Other organisations or institutions that are not established or conducted for profit and whose aims are charitable or otherwise, philanthropic, religious, concerned with education, social welfare, science, literature or fine arts. Relief can be granted up to 100% of the business rates liability.
- Properties occupied by not for profit sports or social clubs, societies or other organisations for the purposes of recreation. Relief can be granted up to 100% of the business rates liability.
- Rate relief to ratepayers – Section 47 of the LGFA 1988b was amended by Section 69 of the Localism Act 2011. This amendment gives the Council the discretion to grant relief to any other body, organisation or ratepayer, having due regard to its Council Tax payers

- 2.2.1 Rotherham has operated a system of awarding such a relief through the application of a policy that was approved by the Cabinet on 24th April 2013 which has more recently been revised and subsequently approved by Cabinet on 12 December 2016.

- 2.2.2 The funding for Discretionary Rate Relief was, until the introduction of the Government's Business Rates Retention Scheme (April 2014), shared with Central Government through the National Non-Domestic Rate Pool. Local authorities were reimbursed with 25% of the cost of discretionary rate relief granted to charities and Community Amateur sports Clubs, and 75% of the cost of relief granted to other bodies. Now, with the localisation of business rates, Central Government and Councils share every £1 of rates due on a 50/50 basis as follows:

Central Government	50%
South Yorkshire Fire and Rescue Authority	1%
Rotherham MBC	49%

- 2.3 Relevant details of the organisations and premises in Rotherham that are currently awarded DRR are shown in Appendix 1.

3. Key Issues

- 3.1 To consider the annual renewal applications requesting the award of discretionary rate relief for those organisations and premises listed in Appendix 1 with regard to their 2017/18 rates liability and in light of the Council's revised Policy. The estimated cumulative and individual financial implications of awarding rate relief are set in Section 7 and Appendix 1 of this report.
- 3.2 Government has put in place arrangements for the revaluation of business premises to reassess their rating liability that will take effect from 1st April 2017. Given the recentness of this revaluation exercise, the Government has yet to formally publish its Valuation List. In order to facilitate the timely production and distribution of the annual rating bills to each premise, it will be necessary, this year, to use an estimate of the annual charges and related reliefs as the details of the rateable values, transition arrangements and business rates multipliers have yet to be confirmed to local authorities.

4. Options considered and recommended proposal

- 4.1 Given the discretionary nature of the relief requested, the Council has the discretion to either award or not award a discretionary rate relief.
- 4.2 In helping Members make such a decision, the Council has put in place a specific Policy framework to consider individual applications. In accordance with that Policy, applications for relief have been received and have been thoroughly reviewed and considered (including supporting documentation) in line with the qualifying criteria and other considerations set out in that Policy.
- 4.3 Following this review process, 2 recipients were asked to provide further information to enable their application to be fully considered. So far the additional information requested has not been received. For a further 2 organisations, no application form (despite several reminders) has been returned for review. These organisations are not included for consideration in this report.
- 4.4 Those listed in the appendices meet the relevant criteria, and are therefore recommended for award of discretionary rate relief.
- 4.5 Members are provided with additional information in exempt Appendix 2 to inform their decision making.

5. Consultation

- 5.1 The applications have been considered by the relevant Cabinet Member and that Member is supportive of the recommendation to award relief.

6. Timetable and Accountability for Implementing this Decision

- 6.1 The applicants will be advised by letter of the outcome of their application for relief within 10 working days of the Cabinet decision.

7. Financial and Procurement Implications

- 7.1 The total potential cost of granting the relief for the financial year 2017/18 is set out below in paragraph 7.2 alongside the specific cost to the Council.

7.2	Year	Total Amount of Relief	Cost to RMBC
	2017/18	£636,152.08	£311,714.52

8. Legal Implications

- 8.1 The statutory framework for discretionary rate relief is set out in the body of the report.

9. Human Resources Implications

- 9.1 No direct implications from this report

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 No direct implications from this report

11. Equalities and Human Rights Implications

- 11.1 No direct implications from this report

12. Implications for Partners and Other Directorates

- 12.1 No direct implications from this report

13. Risks and Mitigation

- 13.1 The Government has issued guidance notes to advise Authorities what criteria should be used in considering applications for Discretionary Rate Relief. Authorities have been strongly advised to treat each individual case on its own merits and to not adopt a policy or rule which allows them to not consider each case without proper consideration. In cognisance of these guidance notes, the Council has formally adopted a Policy framework for considering individual discretionary business rates relief applications with the decision to award reserved for Cabinet.

14. Accountable Officer(s)

Judith Badger, Strategic Director of Finance and Customer Services

Approvals Obtained from:-

Strategic Director of Finance and Customer Services:

Stuart Booth, Assistant Director, Finance.

Assistant Director of Legal Services:

Dermot Pearson, Assistant Director, Legal Services

Head of Procurement:

Not Applicable

Report Authors:

Diane Woolley, Team Leader, Local Taxation

Rachel Humphries, Operational Manager, Local Taxation

Anne Ellis, Finance Manager

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

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

Premise Address	£ Rateable Value	Nature of Organisation	£ Estimated Amount of Award 17/18	£ Estimated Cost to Council	% Percentage Relief
L N E R Social Club, Rowms Lane, Swinton, Mexborough, S64 8AA	12,000	Social Club	£2,802.00	£1,372.98	50
The Wesley Centre,, Blyth Road, Maltby, Rotherham, South Yorkshire, S66 8JD	12,000	Community Group	£5,604.00	£2,745.96	100
Green Lane, Rawmarsh, Rotherham, South Yorkshire,S62 6LA	23,000	Sports Facility	£5,462.00	£2,676.38	50
Sports Centre, Aughton Road, Aston, Sheffield, S26 4SF	235,000	Sports Centre	£114,056.00	£55,887.44	100
Rotherham Leisure Complex, Effingham Street, Rotherham, South Yorkshire, S65 1BL	352,500	Sports Centre	£172,800.00	£84,672.00	100
Wath Sports Centre, Festival Road, Wath-Upon-Dearne, Rotherham, S63 7HL	147,000	Sports Centre	£71,370.00	£34,971.30	100
Maltby Leisure Centre, Braithwell Road, Maltby, Rotherham, S66 8LE	290,000	Sports Centre	£140,096.00	£68,647.04	100
2nd Floor, Westgate Chambers,Westgate,Rotherham,S60 1AN	13,500	Arts Group	£5,720.00	£2,802.80	100
Wood Lane,Treeton,Rotherham,S60 5QS	9,900	Sports Facility	£1,951.00	£955.99	50
Summit 1, Mangham Road, Greasbrough, Rotherham S61 4RJ	36,750	Sports Facility	£16,892.00	£8,277.08	100
Wickersley Community Centre, Ground Floor, 286 Bawtry Road, Wickersley, Rotherham, S66 1JJ	7,900	Community Group	£3,689.00	£1,807.61	100
			£540,442.00	£264,816.58	
Premise Address	£ Rateable Value	Nature of Organisation	£ Estimated Amount of Award 17/18	£ Estimated Cost to Council	% Percentage Relief
Ryton Road, North Anston, Sheffield, S25 4DL	5,200	Community Amateur Sports Club	£485.60	£237.94	20
Brookhouse, Laughton, Sheffield, S25 1YA	1,625	Community Amateur Sports Club	£151.60	£74.28	20
Dinnington R U F C, Lodge Lane, Dinnington, Sheffield, S25 2PB	14,250	Community Amateur Sports Club	£1,474.40	£722.46	20
Cricket Ground Pavilion, Thorpe Road, Harthill, Sheffield,S26 7YF	2,650	Community Amateur Sports Club	£252.00	£123.48	20
Harthill Reservoir, Carver Close, Harthill, Sheffield, S26 7XA	2,350	Community Amateur Sports Club	£219.40	£107.51	20
Sports Ground, Scholes Lane, Rotherham, South Yorkshire, S61 2RG	1,400	Community Amateur Sports Club	£133.00	£65.17	20
Goosecarr Lane, Todwick, Sheffield, S26 1HG	1,425	Community Amateur Sports Club	£133.00	£65.17	20
Wentworth Road, Rawmarsh, Rotherham S62 7SL	2,800	Community Amateur Sports Club	£270.20	£132.40	20
Whiston Parish Cricket Ground, Whiston, Rotherham, S60 4HQ	4,900	Community Amateur Sports Club	£467.00	£228.83	20

			£3,586.20	£1757.24	
Premise Address	£ Rateable Value	Nature of Organisation	£ Estimated Amount of Award 17/18	£ Estimated Cost to Council	% Percentage Relief
Welfare Hall, Ryton Road, North Anston, Sheffield, S25 4DL	8,100	Community Group	£756.40	£370.64	20
Anston Bowling Club , Ryton Road, North Anston, Sheffield, S25 4DN	1,100	Sports Facility	£102.60	£50.27	20
Aston Parish Hall, Rosegarth Avenue, Aston, Sheffield, S26 2DB	14,500	Community Group	£1,354.20	£663.56	20
Bluebell Wood Children's Hospice, Cramfit Road, Anston, Sheffield, South Yorkshire, S25 4AY	167,000	Hospice	£16,127.60	£7,902.52	20
Cross Street, Bramley, Rotherham, South Yorkshire, S66 3QJ	7,200	Community Group	£672.40	£329.48	20
Youth Centre, Flash Lane, Bramley, Rotherham, S66 1TY	5,800	Community Group	£532.20	£260.78	20
Bill Chafer Centre Changing Rooms, Flash Lane, Bramley, Rotherham, S66 1TY	1,325	Sports Facility	£123.60	£60.56	20
Tunwell Road, Maltby, Rotherham, S66 8PP	1,250	Community Group	£116.60	£57.13	20
Community Centre, Chapel Avenue, Brampton, Barnsley, S73 0XQ	5,500	Community Group	£513.60	£251.66	20
Middleton Hall , Barleycroft Lane, Dinnington, Sheffield, S25 2LE	6,400	Community Group	£597.60	£292.82	20
Laughton Road, Dinnington, Sheffield, S25 2PS	1,400	Musical Group	£130.60	£63.99	20
Community Centre, Laughton Road, Dinnington, Sheffield, S25 2PP	32,750	Community Group	£3,082.20	£1,510.28	20
59 Holmes Lane, Rotherham, South Yorkshire, S61 1BH	1,800	Community Group	£168.00	£82.32	20
New Road, Firbeck, Worksop, S81 8JY	3,400	Community Group	£317.40	£155.53	20
52 Westgate, Rotherham, South Yorkshire, S60 1AX	17,250	Musical Group	£1,447.60	£709.32	20
1 Wellgate, Rotherham S60 2LT	29,250	Community Group & Learning Facility	£2,599.20	£1,273.61	20
Harthill Village Hall, Winney Hill, Harthill, Sheffield, S26 7YL	4,000	Community Group	£373.60	£183.06	20
Community Centre, Woodland Gardens, Maltby, Rotherham, South Yorkshire, S66 7NW	1,975	Community Group	£184.40	£90.36	20
Community Centre, Holy Trinity Church, Sough Hall Avenue, Thorpe Hesley, Rotherham, S61 2QG	8,200	Community Group	£765.80	£375.24	20
116 Victoria Street, Kilnhurst, Rotherham, S64 5SQ	8,000	Community Group	£747.20	£366.13	20
Kimberworth Park Road, Kimberworth Park, Rotherham, South Yorkshire, S61 3JN	5,300	Community Group	£495.00	£242.55	20
Walesmoor Avenue, Kiveton Park, Sheffield, S26 5RF	11,500	Community Group	£1,074.00	£526.26	20
The Lighthouse, 71 Westgate, Rotherham, South Yorkshire, S60 1BQ	4,750	Support for the Homeless	£491.40	£240.79	20
The Lighthouse For Women, 2 Barnsley Road, Wath Upon Dearne, Rotherham, South Yorkshire, S63 6PY	4,500	Support for the Homeless	£465.60	£228.14	20
Magna Project Office, Sheffield Road, Rotherham, South Yorkshire, S60 1DX	240,000	Science Museum	£23,200.40	£11,368.20	20

College Road, Rotherham, South Yorkshire, S60 1JE	5,000	Community Group	£467.00	£228.83	20
St Marys Drive, Catcliffe, Rotherham, South Yorkshire, S60 5TN	29,000	Support/Therapy for MS Sufferers	£2,571.80	£1,260.18	20
Ground-2nd Floors, 8 Ship Hill, Rotherham, South Yorkshire, S60 2HG	22,250	Theatre Group	£1,754.00	£859.46	20
Badsley Grange, 93 Badsley Moor Lane ,Rotherham, South Yorkshire, S65 2PS	8,100	Support Group for those with Cancer	£638.40	£312.82	20
485B Fitzwilliam Road, Rotherham, South Yorkshire, S65 1PX	22,250	Community Transport Group	£2,466.60	£1,208.63	20
10 Percy Street, Rotherham, South Yorkshire, S65 1ED	5,000	Support/Advice for Women and Children	£394.00	£193.06	20
22 Main Street, Rotherham, South Yorkshire, S60 1AJ	18,250	Support/Advice for Women and Children	£1,517.60	£743.62	20
1st & 2nd Floors,10/12 Domine Lane,Rotherham,South Yorkshire,S60 1QA	6,600	Support for the Vulnerable in the Town Centre	£560.40	£274.60	20
Brinsworth Community Centre,Brinsford Road,Brinsworth,Rotherham,S60 5DT	2,600	Community Group	£242.80	£118.97	20
The Meeting Place, 48 Wensleydale Road, Wingfield, Rotherham, S61 4BD	1,800	Support for those with a Learning Disability	£168.00	£82.32	20
68B Westgate, Rotherham, South Yorkshire, S60 1BD	7,500	Support for Vulnerable Adults	£776.00	£380.24	20
Units 8 & 9, Waddington Way, Aldwarke, Rotherham, South Yorkshire, S65 3SH	54,500	Transport Museum	£6,222.40	£3,048.98	20
31 Broad Street, Parkgate, Rotherham, South Yorkshire,S62 6DX	4,400	Support for those with Mental Health Issues	£410.80	£201.29	20
Unit 1, Galax Business Centre, Fitzwilliam Road, Rotherham, South Yorkshire, S65 1SL	13,000	Support for those with Mental Health Issues	£1,345.00	£659.05	20
Flanderwell Lane, Sunnyside, Rotherham, South Yorkshire,S66 3RL	8,400	Community Group	£784.40	£384.36	20
Community Centre, Rotherham Road, Swallownest, Sheffield, S26 4UR	5,800	Community Group	£541.60	£265.38	20
Roche Abbey,Firbeck,Rotherham,S66 8NW	1,000	Heritage Site	£93.40	£45.77	20
67 The Lanes,Rotherham,South Yorkshire,S65 3SA	4,200	Community Group	£392.20	£192.18	20
The Rotherham Hospice, Broom Road, Rotherham, South Yorkshire, S60 2SW	120,000	Hospice	£11,808.00	£5,785.92	20
Mechanics Institute, Main Street, Wentworth, Rotherham, South Yorkshire, S62 7TL	3,050	Community Group	£284.80	£139.55	20
Thurcroft Welfare Community Hall, Katherine Road, Thurcroft, Rotherham, South Yorkshire, S66 9HF	9,100	Community Group	£849.80	£416.40	20
Todwick Village Hall, Kiveton Lane, Todwick, Sheffield, S26 1HL	7,200	Community Group	£672.40	£329.48	20

34 Spring Street, Rotherham, South Yorkshire, S65 1HD	1,300	Community Group	£121.40	£59.49	20
Woodsetts Village Hall, Gildingwells Road, Woodsetts, Worksop, Nottinghamshire, S81 8QB	2,025	Community Group	£189.00	£92.61	20
Office 6 Part Second Floor, The Spectrum, Coke Hill, Rotherham, South Yorkshire, S60 2HX	4,300	Support Group	£412.88	£202.31	20
			£92,123.88	£45,140.70	

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

Document is Restricted

Public report
Cabinet and Commissioners' Decision Making Meeting

Summary Sheet

Council Report

Cabinet and Commissioners' Decision Making Meeting – 13 February 2017

Title

Amendments to the Housing Allocations Policy

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

Yes

Strategic Director Approving Submission of the Report

Anne Marie Lubanski, Strategic Director Adult Care and Housing

Report Author(s)

Sandra Tolley, Housing Options Manager

Ward(s) Affected

All

Executive Summary

On 6th August 2015 a revised Allocation Policy was implemented. However, one of the proposals regarding Council Tax arrears was deferred due to representation having been made following the publication of the Commissioners' 'minded to agree' decision on 6th August 2015. It was agreed that further analysis / exploration of legal implications was required and a clear procedure should be developed if Council Tax arrears could be taken into account in deciding whether an applicant is eligible to join the Housing Register.

This work has now been completed and the purpose of this report is to update Cabinet of the findings. Due to the legal advice given on this issue it is not recommended that Council Tax debt be included in the Allocations Policy. An Equalities Impact Assessment has also been conducted and consideration of equalities issues has been considered and included into the proposed changes.

At the same time six amendments are recommended which aim to increase tenancy sustainability, take into account lessons learned over the past 12 months, changes brought about by the Welfare Reform and Work Act 2016 and to prepare for the Homelessness Reduction Bill:

- a) Introduction of a programme of pre-tenancy workshops and support for all prospective new tenants that either have no prior experience of managing a tenancy, or have previously had a failed tenancy. This should significantly improve tenancy sustainment levels particularly for vulnerable young people.

- b) Introduction of pre-housing register housing options interviews which will give new customers an opportunity to learn about Rotherham Council homes and other affordable housing options. It also helps us to understand the needs of our customers, giving tenancies the best possible start
- c) Stop tenants from applying to transfer within the first twelve months of their tenancy. The current transfer policy will be amended from 2 years waiting to 1 year. This will give some flexibility of movement for Social Housing tenants and prevent tenants from moving to low demand properties via band 4.
- d) Since the current Allocations Policy was implemented in August 2015 there has been an increase in the number of tenants requesting a housing transfer in Band 4 within the first two years of their tenancy. It is therefore proposed to place restrictions on tenants transferring within the first year of their tenancy.
- e) Setting rent allowances at a consistent level for existing tenants and new tenants, by either issuing a rent allowance of up to a maximum of five working days or stopping the use of rent allowances for new lettings and transfers. Currently, existing tenants who transfer to another home within the Council's stock are allocated an allowance of a minimum of 14 days, whereas new tenants are allocated an allowance of a maximum of five working days.
- f) Giving preference in the Allocation Policy to single people under the age of 35 for bedsits. This will help single applicants under the age of 35, who will be affected by the introduction of the Local Housing Allowance single room rate in April 2018, to access affordable accommodation.
- g) Setting housing register qualification criteria that does not disqualify homeless households that are owed a reasonable preference from joining the housing register. In short, if the local authority decides that a person is owed a reasonable preference under homelessness legislation, the residency local connection criteria should allow the applicant to join the register.

Recommendations:

That the changes to the Allocation Policy be approved to commence on 1 May 2017 as follows:

- 1) Mandatory requirement for applicants who have no experience of running their own home, or where a previous tenancy has failed, to attend a pre-tenancy workshop.
- 2) Mandatory requirement for all applicants to undertake a housing options interview before joining the housing register.
- 3) New tenants should not be allowed to apply to transfer within the first twelve months of their tenancy. However, it is recommended that Housing Assessment Panel have delegated powers to overrule this policy for individual cases where there are exceptional circumstances.
- 4) No rent allowances are issued to new tenants or existing Council tenants. However the Housing Options Manager, and the Housing Advice and Assessment Manager have delegated powers to overrule this policy for

vulnerable applicants where there is a justification for more time to move into a property.

- 5) Bedsits are let to single people or couples giving preference to single people under the age of 35.
- 6) Include homeless applicants owed a reasonable preference to the list of applicants who are exempt from the Local Connection Criteria rules.

List of Appendices Included

Appendix 1 - Impact of Council Tax debt for the Housing Allocations Policy

Appendix 2 – Equality Analysis Action Plan

Background Papers

Housing Allocation Policy (August 2015)

Consideration by any other Council Committee, Scrutiny or Advisory Panel

24th July 2015 - Overview and Scrutiny Management Board

26th September 2016 - Rotherfed Board meeting

11th October 2016 - Quality and Standards Challenge Group

30th November 2016 - Improving Places Select Commission

3rd February 2017 – Overview and Scrutiny Management Board

Council Approval Required

No

Exempt from the Press and Public

No

Title: Amendments to the Housing Allocation Policy

1. Recommendations

That the changes to the Allocation Policy be approved to commence on 1 May 2017 as follows:

- 1) Mandatory requirement for applicants who have no experience of running their own home, or where a previous tenancy has failed, to attend a pre-tenancy workshop.
- 2) Mandatory requirement for all applicants to undertake a housing options interview before joining the housing register.
- 3) New tenants should not be allowed to apply to transfer within the first twelve months of their tenancy. However, it is recommended that Housing Assessment Panel have delegated powers to overrule this policy for individual cases where there are exceptional circumstances.
- 4) No rent allowances are issued to new tenants or existing Council tenants. However the Housing Options Manager, and the Housing Advice and Assessment Manager have delegated powers to overrule this policy for vulnerable applicants where there is a justification for more time to move into a property.
- 5) Bedsits are let to single people or couples giving preference to single people under the age of 35.
- 6) Include homeless applicants owed a reasonable preference to the list of applicants who are exempt from the Local Connection Criteria rules.

2. Background

2.1 Overview of previous decisions

- 2.1.1 The Council's previous Housing Allocation Policy had been in place since 29 October 2014. A significant change was made during 2014 to ensure that only those in housing need were eligible to join the Register, resulting in a reduction by over 10,000 applicants. As a consequence of this change, the Council had a number of 'low demand' properties that were not being let, and this was the driver for amendments to the Policy in Summer 2015. A new priority Band 4 was created to allow people who are not in housing need, to bid for low-demand properties.
- 2.1.2 The policy was reviewed and a report provided to the Overview and Scrutiny Management Board (OSMB) on 24 July 2015, setting out this and various other proposed changes. The majority of the proposed amendments were supported by OSMB. However, one of the recommendations, regarding Council Tax debt (and whether it should be included in the £800 limit for an applicant's overall level of debt), was not supported.

- 2.1.3 On 6th August 2015, the Council's Commissioner and Managing Director issued a 'minded to agree' decision to approve the revised Allocations Policy (and this was implemented accordingly from this date), but took into account the views of OSMB with respect to Council Tax. The Council's Commissioner and Managing Director decided that Council Tax debt should be taken account of, but the value of the debt not grouped with other debts, and applicants would be eligible to join the Register provided that an active payment plan was in place.
- 2.1.4 Following publication of the 'minded to agree' decision, representation was made by an Elected Member. Consequently the Council's Commissioner and Managing Director agreed to delay the Council Tax proposal to allow further opportunity to consider the legal implications, undertake a detailed analysis, consider any data protection issues and develop a procedure for Council Tax debt.
- 2.1.5 This work has now been completed and details of the findings can be found in Appendix 1.
- 2.1.6 However, further legal analysis suggests that it would be unlawful to disqualify applicants from the housing register based on their Council tax arrears. Therefore the purpose of this report is to provide an update of findings following the original proposal and recommend that Cabinet does not proceed with the original proposal to include a qualifying requirement in the Allocation Policy relating to Council tax arrears. Cabinet is asked to approve six amendments to the Allocations Policy, to take into account lessons learned over the past 12 months and changes brought about by the Welfare Reform and Work Act 2016.

2.2 New proposed change aimed at improving tenancy sustainment

- 2.2.1 Analysis of recent tenancy termination data shows that the majority of 'negative terminations' of tenancies (evictions and tenancy abandonments) are due to affordability and anti-social behaviour issues. By offering a programme of pre-tenancy awareness sessions and pre-housing register interviews, the Council could significantly improve tenancy sustainability levels particularly for vulnerable young people. This report proposes that pre-tenancy workshops be implemented for all prospective new tenants that either have no prior experience of managing a tenancy, or have previously had a failed tenancy. In addition it is proposed that it is made mandatory for all new tenants to undertake a pre-housing register interview before joining the housing register. Improved tenancy sustainability will be evaluated 12 months following the implementation date of the policy.
- 2.2.2 The tables below shows that during June 2016, from a total of 123 terminations 28 potentially could have been prevented from failing if the tenant had received more awareness of the responsibilities of being a tenant and where to go for help before they signed the tenancy agreement.

The table below details preventable terminations made in June 2016

Termination Reason	Number terminated
Suffered antisocial behaviour	3
Evicted for antisocial behaviour	1
Evicted for arrears	7
Fear of crime	2
Financial difficulties	5
Moved in with partner	3
Problems with getting on with their Neighbour	2
Went back home for family for support	5
Total	28

The table below details other terminations made in June 2016

Termination Reason	Number terminated
Domestic violence	1
Property too large	5
Moved closer to employment	2
In prison	1
Internal transfer	19
Medical reasons	10
Move to other social housing provider	2
Move to private rented	11
Property too small	5
Tenant deceased	32
To be nearer to family	3
Move into permanent residential care	4
Total	95
Total number of terminations in June 2016	123

2.2.3 Research shows that by providing support and more information to new tenants, tenancies are more likely to be sustained. Officers have networked with other organisations who are already offering this support, to identify best practice. It is proposed to implement a programme of support for applicants with no prior experience of managing a tenancy, or who have previously had a failed tenancy.

2.2.4 These workshops will be developed with the help of Rotherfed, young people and a selection of Members from the Improving Places Select Commission. The workshops can include agreeing topics such as:

- **Moving and setting up a home** - bidding for properties, furnishing, decorating a home and connecting to utilities, obtaining a TV licence and basic home maintenance skills
- **How to keep a tenancy** - applying for benefits, avoiding breach of a tenancy through rent arrears
- **Managing a budget** - dealing with debt, using a bank, budgeting and loans advice.

The workshops will be designed so that people with numeracy or literacy issues can actively participate. E-learning workshops will also be developed for applicants who live outside of the Borough. e.g. people who are about to leave the Armed Forces. There will also be workshop criteria which applicants will need to follow to qualify to join the register. If the criteria are not met the applicant will need to rebook. The criteria will include:

- Attending the workshop on time and being respectful to other people at the workshop. Anyone who demonstrates anti-social behaviour will be asked to leave the workshop.
- Completing and engaging in the workshop.

2.2.5 The introduction of pre-tenancy workshops for new people wishing to join who have had no experience in running their home, or where a previous tenancy has failed will mean that an average of 12 applicants will need to attend a workshop each week. The programme can be developed and delivered by voluntary sector organisations or in-house by the Financial Inclusion team / Housing Advice team. There has recently been a Housing Income Service Review and by April 2017 there will be a new team in place to provide Independent financial assessments prior to lettings and intensive tenancy support at the commencement of a tenancy.

2.2.6 The policy would be implemented for new applicants, and existing applicants who are already on the housing register will not be required to attend a workshop. However, there will be exemptions such as; if an existing applicant asks to attend a workshop or where it would be beneficial to help a customer to sustain a tenancy. By making it mandatory for existing applicants would be too resource intensive as the existing housing register contains 6457 applicants, of whom 1929 applicants meet this criteria (see below)

- Living with family or friends = 1592
- Sleeping rough = 8
- No fixed abode = 279
- In hostels or temporary accommodation = 47
- In bed and breakfast = 3
- **TOTAL 1929**

2.2.7 In order to free up staff time to undertake the pre-housing register interviews, housing register processes will be amended and streamlined. Currently applicants apply on-line and then each applicant is sent a letter to request proof of income, address and identification. Once this is received their application becomes active. In many instances at least two or three letters or emails are sent reminding applicants to supply the information otherwise their application remains in-active. This is not only time and resource intensive, but incurs printing and postage costs. There are currently 1261 inactive applications where applicants have not provided information so they will not be able to make requests. The benefits for the customer of a pre-tenancy interview are that customers will be provided with information about all affordable housing options at the start of the application process. As the proofs of identity will be provided at the pre-tenancy interview stage, the customer will be able to make bids earlier than with the current processes.

2.3 New proposed change to reduce the number of tenants transferring within the 12 months of their tenancy

2.3.1 Another proposed change is intended to reduce tenancy turnover rates. Since the current Allocations Policy was implemented in August 2015 there has been an increase in the number of tenants requesting a housing transfer in Band 4 within the first year of their tenancy, which in turn creates more voids and reduces sustainability within neighbourhoods.

2.3.2 As at 15th July 2016 the number of applicants in each band was:

- Band 1 = 251
- Band 2 = 1608
- Band 3 = 1695
- Band 4 = 1678 (of which 214 are tenants)
- Transfer = 1225
- TOTAL 6457**

2.3.3 The change will stop existing tenants from joining Band 4. The above table shows there are 1678 applicants in Band 4 and of these, 214 are existing tenants. The current policy prevents tenants who have not held their tenancy for less than two years from joining the Transfer Band, but tenants are allowed to join Band 4 and make requested for low demand properties. Since August 2015, 22 tenants have moved to a Council home via Band 4. In order to reduce tenancy turnover rates, it is proposed the policy be amended to prevent any new applications from existing tenants being able to join Band 4. It is proposed that the existing (214) tenants registered in Band 4 remain eligible. However, in order to facilitate some flexibility of movement for Council tenants, it is proposed that the time period to join the Transfer Band be reduced from 2 years to 1 year.

2.3.4 There may be some instances where a tenant needs to move within the first 12 months, these individual cases will be considered by a Housing Assessment Panel who would have delegated powers to overrule this policy and allow a tenant to join the Transfer Band sooner.

2.3.5 There will be steps in place to advise all applicants that once they accept a Council tenancy they will be unable to re-join the register for 12 months unless they have a newly arisen housing need.

2.4 New proposed change to set rent allowances at a consistent level

- 2.4.1 The proposed change is to stop issuing rent allowances to ensure that all tenants are treated the same and that there is consistency within the Sub region with regard to issuing rent allowances for new lettings. This will reduce expenditure within the Housing Revenue Account. For 2015/16 this equates to £220,499 loss to the Housing Revenue Account. Historically, existing tenants who transfer to another home within the Council's stock are allocated a rent allowance of a minimum of 14 days, whereas new non-former Council tenants, e.g. people moving from a private rented home, people moving out of temporary accommodation etc. are allocated an allowance of a maximum of five working days. This report proposes that existing Council tenants who are transferring within the Council stock are treated the same as new non-former Council tenants; by stopping the use of rent allowances for new lettings.
- 2.4.2 There will be exemptions for vulnerable applicants who may need more time to move into a property and who require an allowance. Individual cases will be considered by either the Housing Options Manager, or the Housing Advice and Assessment Manager who would have delegated powers to overrule this policy. The criteria for this would be applicants who are placed in Band 1 in financial difficulties, or homeless applicants living in temporary accommodation, or safeguarding cases.
- 2.4.3 Sub regionally, Barnsley, Doncaster and Sheffield, do not issue rent allowances to existing tenants transferring within the Council stock or new non-former tenants. In Doncaster, with transfers if the tenant chooses not to move into their new home straight away, they are charged rent on both properties. In Sheffield, tenants who are transferring to another Council home are expected to move out of one property and into the new one virtually on the same day. They do not make rent allowances to cover any delays and there is a continuing liability for rent on the old property until the tenant hands in the keys. Therefore if they are late then they incur a charge on both properties. Barnsley do not offer rent allowances either for transfers or new tenants. Barnsley accepts two weeks' termination notice on a transfer, but invariably there is an overlap on rent payments.
- 2.4.4 The void process is currently being reviewed and this will facilitate an earlier advertising and viewing process. This will give tenants who are transferring to another Council home more time to prepare for their move.

2.5 New proposed change for the allocation of bedsits

- 2.5.1 The Welfare Reform and Work Act introduces changes that will have an impact on single people under 35 years old as from April 2019 they will only be able to access the Local Housing Allowance shared room rate of circa £58 per week, this means that more young people will be moving into shared tenancies and bedsits.

2.5.2 The total number of households on the housing register is 6457, of these there are 1216 single people under the age of 35 of whom 317 are employed and 19 are on a Government scheme. These statistics show that the majority of single under 35s are not employed and would only receive the Local Housing Allowance shared room rate. It is therefore essential to develop affordable housing options such as bedsits for this client group. Furniture options are also being reviewed to help young people access accommodation.

2.5.3 Bedsits are a limited resource with only 75 bedsits (currently no voids) within the Council's stock. During the last 3 years the turnover and age profile of the new tenants was:

- 11 bedsits vacant during 2015/2016, of these 6 were let to people under 35
- 16 bedsits vacant during 2014/2015, of these 13 were let to people under 35
- 11 bedsits vacant during 2013/2014, of these 6 were let to people under 35

2.6. Proposed change to the exemptions from the Local Connection Criteria

2.6.1 A revised Allocation Policy was adopted in December 2013 which incorporated a Local Connection Criteria so that a person qualifies to go on the Housing Register if they have a local connection to Rotherham for a minimum of 3 years. There are cases that are exempt from the Local Connection Criteria, one of these is where applicants are owed a fully homeless duty, eg homeless applicants accepted as owing a duty as defined in Part VII of the Housing Act 1996.

2.6.2 Many Councils applied the same exemption rules to the qualification criteria, but they remain at risk of being legally challenged because they have not added other exemption clauses for those who are owed a reasonable preference because the applicant is:

- Homeless, but not in priority need
- Homeless, but owed a duty by another authority
- Living in unfit or unsatisfactory housing, or have a medical or disability or pressing welfare reason to move

2.6.3 The Homeless Reduction Bill has received its second reading on 28 October 2016 and this was passed with overwhelming support by the Government. The third reading is early in the New Year followed by the Lords Scrutiny and it is likely to become law by Spring 2017. The Bill introduces requirements for local housing authorities to carry out homelessness prevention work with all those who are eligible for help and threatened with homelessness from 28 days to 56 days. Help would be provided for households whether they are in priority need under the 1996 Housing Act or not. It is therefore vital that the Allocation Policy is amended so that homeless households, not in priority need, are not excluded from the Allocation Policy due to Local Connection rules.

3. Key issues

- 3.1 The introduction of the previously proposed policy regarding Council Tax may have increased the collection rates of Council Tax. However, legal advice has been obtained which suggests that the payment of Council Tax as qualifying criteria for joining the housing register would be unlawful and places the Council at risk of legal challenge.
- 3.2 Offering pre-tenancy workshops and pre-housing register, Housing Options interviews will reduce the number of negative tenancy terminations. This new model of undertaking pre-housing register interviews will also help to prepare for the pending Homelessness Reduction Bill by creating a more robust package of advice and assistance to prevent and relieve homelessness for all applicants regardless of priority need status. The pre-tenancy workshops will offer a range of skills including money management which will help to prevent people from being financially excluded and losing their homes. While this will benefit all new tenants, it will in particular benefit young vulnerable people. A further advantage of the scheme is that it will establish clear expectations around conduct and help to avoid anti-social behaviour and other neighbourhood problems.
- 3.3 Restricting tenants from transferring within the first 12 months of their tenancy will reduce the number of void properties and assist with creating settled neighbourhoods and reducing average void turnaround times and associated costs. The average cost of a void property is £2,095. The average cost of void repairs is £1,800 and the average number of weeks properties are void for is 28 days which means an average weekly rent loss of £73.71 multiplied by 4 weeks = £294.84. (£1,800 repairs + £295 void rent loss = £2,095).
- 3.4 Applying rent allowances consistently to both new and existing tenants will reduce expenditure to the Housing Revenue Account.

4. Options considered and recommended proposals

4.1 Options aimed at improving tenancy sustainment

- 4.1.1 Option One: Focus only on applicants who have previously had a failed tenancy (not to applicants who simply have no prior experience of managing a tenancy). While this would significantly reduce the resource requirement to deliver the service, it would have a limited impact on overall tenancy sustainability and is therefore not recommended.
- 4.1.2 Option Two - **Recommended option**: Make it mandatory for all new applicants with no experience of running their own home or where a previous tenancy has failed, to attend a pre-tenancy workshop before qualifying to join the Housing Register. This accords with best practice, will help to improve tenancy sustainment and the overall sustainability of our neighbourhoods.

- 4.1.3 Option Three - **Recommended option**: Make it mandatory for new applicants to attend a housing options interview before joining the housing register. The benefit of the pre-tenancy interviews is that the service will give new customers an opportunity to learn about Rotherham Council homes and other affordable housing options. It also helps the Council to understand the needs of the Council's customers, giving tenancies the best possible start. This would only apply to new applicants who join the register following the change in policy rules.

4.2 Options to deal with the issue of current RMBC and housing association tenants transferring

- 4.2.1 Option One: Continue to allow tenants to apply to transfer in Band 4 to a new Council home within two years of moving in. However, this would lead to high turnover and void costs. This option is therefore not recommended.
- 4.2.2 Option Two - **Recommended option**: Prevent current Council or Housing Association tenants from being able to join the housing register until they have been in their tenancy, with no tenancy breaches, for 12 months. (If however a Council tenant has a change in circumstances within the 12 month period and becomes in housing need, they will be placed into one of the priority bands).

4.3 Options to issue rent allowances consistently for all new lettings

- 4.3.1 Option One: reduce the 14 day allowance to seven days for Council tenants transferring to another Council home. While this would significantly reduce the expenditure to the Housing Revenue Account the process remains inconsistent with new tenants. This option is therefore not recommended.
- 4.3.2 Option Two: reduce the 14 day allowance to a maximum of five working days. Allowances are issued up to the date when the gas uncap and test is undertaken. This enables the customer to move in and is a consistent approach. However, this option is not recommended as it is not consistent with the private sector and other local authorities.
- 4.3.3 Option Three - **Recommended option**: To be consistent with the private sector and other local authorities to reduce the expenditure significantly it is proposed that no rent allowances are issued. Rent will become payable by the customer from the start of all tenancies. In exceptional circumstances, individual cases will be considered by either the Housing Options Manager, or the Housing Advice and Assessment Manager who would have discretion and delegated powers to overrule this policy. The criteria for this would be applicants who are placed in Band 1 in financial difficulties, or homeless applicants living in temporary accommodation, or safeguarding cases.

4.4 Options for the letting of Council owned bedsits

- 4.4.1 Option One: Continue to allocate bedsits in accordance with the current Allocation Policy. The current rule is that single people and couples over the age of 18 are eligible to bid for bedsits and the successful applicant will be the applicant who has been on the Housing Register for the longest period. This option is not recommended as single people under the age of 35 are competing with other applicants who can afford other housing options.
- 4.4.2 Option Two: **Recommended option:** Priority to be awarded to single people under the age of 35 for bedsits. This is due to the fact that bedsits are a limited resource with only 75 bedsits (currently no voids) within the Council's stock. The bedsits are rented out at circa £58pw, which is equivalent to the Local Housing Allowance shared room rate. This means that bedsits are an affordable option for single people under the age of 35. Older single people and couples can afford a wider range of housing options as their Local Housing Allowance rate is for one bedroom at a higher rate of approximately £80 per week.

4.5 Change to the exemptions from the Local Connection Criteria

- 4.5.1 **Recommended approach:** Include homeless applicants owed a reasonable preference to the list of applicants who are exempt from the Local Connection Criteria rules. Adopting this new policy will ensure the Council is 100% safe from potential legal challenge around qualification criteria. The change will also make sure the policy meets the requirements of the new Homelessness Prevention Bill.

5. Consultation

- 5.1 Consultation took place with RotherFed on 26 September 2016 and the Quality Standards and Challenge Group on 11 October 2016. Residents unanimously supported four of the five recommendations proposed in this report, but the recommendation regarding the removal of rent allowances was contentious. Of the 30 people consulted (across both meetings), 12 preferred to have the rent allowance as five working days for both new and transferring tenants, 11 were in favour of removing all rent allowances, while seven could support neither of these options.
- 5.2 Improving Places Select Commission has formally received the report on 30 November 2016 and supports the implementation of the proposed six amendments to the Housing Allocation Policy, as set out below:-
- Mandatory requirement for applicants who have no experience of running their own home, or where a previous tenancy has failed, to attend a pre-tenancy workshop.
 - Mandatory requirement for all applicants to undertake a housing options interview before joining the housing register.

- New tenants should not be allowed to apply to transfer within the first two years of their tenancy. (After further consultation, this time period has been reduced to the first 12 months of their tenancy.)
- No rent allowances are issued to new tenants or existing Council tenants.
- Bedsits are let to single people or couples giving preference to single people under the age of 35.
- Include homeless applicants owed a reasonable preference to the list of applicants who are exempt from the Local Connection Criteria rules.

5.3 As a result of a discussion at Rotherham's Strategic Housing Forum in April 2016, a multi-agency working group was set up to address the challenges facing single people under the age of 35, arising from changes to the welfare benefit system. This group is led by RMBC and includes representatives from housing associations and supported housing providers. The proposed policy changes have been discussed with this group and will be discussed further with the Strategic Housing Forum, dependent on the Cabinet's decision.

5.4 If the proposals are agreed, existing housing applicants will be sent a letter to inform them of the changes. The Housing Allocation Policy and Summary Guide will also be updated to reflect the changes. The cost of printing and postage will be contained within existing budgets. Steps will be put in place at the application and offer stage to make it clear that once the tenant has accepted a tenancy they won't be able to re-join the register for two years.

5.5 The pre-tenancy support services will be promoted at the application stage.

5.6 If the recommendations are approved, existing tenants will be informed of the Policy changes through articles published in "Home Matters" which is the Council's Tenants Newsletter.

6. Timetable and Accountability for Implementing this Decision

6.1. If Cabinet approves these recommendations the policies regarding rent allowances will be implemented with immediate effect.

6.2 There will be a timetable of staff training and briefing sessions for Members.

6.3 The tenancy support programme would commence following either procurement of a pre-tenancy workshop provider or development work of workshops to be delivered internally.

6.4 The Council's Housing Allocation Policy will be formally amended to reflect the changes, the new version published on the website and ICT changes made to commence on 1 May 2017.

6.5 A progress report to monitor the impact of the policy changes will be presented back to Cabinet in 12 months' time.

7. Financial and Procurement Implications

- 7.1 Further decisions are required regarding the level of service to be provided as part of the pre-tenancy support programme and this will determine the cost. If the service is to be commissioned via an external provider, a budget will be allocated from the Housing Revenue Account. Procurement will take place in accordance with the Council's Standing Orders and Financial Regulations.
- 7.2 Alternatively, a lower level of service provision to facilitate a workshop for 12 applicants each week could be delivered within existing staffing resources within the Financial Inclusion team (Housing Income Service) and Housing Advice and Assessment Team (Housing Options Service), although this could potentially impact on other services. There is currently a Housing Income Service review which is awaiting final sign off. The review proposes that there will be a team in place to provide intensive tenancy support at the commencement of a tenancy.
- 7.3 By implementing restrictions to prevent tenants from transferring within the first 12 months of their tenancy (unless their circumstances change, placing them into a housing need category), this will reduce expenditure on void servicing and void rent loss to the Housing Revenue Account. The average cost of a void is £1,800 for the repairs team and average number of weeks properties are void for is 28 days which means an average weekly rent loss of £73.71 multiplied by 4 weeks = £294.84. This equates to £2,095 per void property (£1,800 repairs + £295 void rent loss = £2,095).
- 7.4 The rent allowance expenditure for new tenants during 2015/16 was £112,291, and for the first three months of 2016/17 rent allowance of £15,343 has been issued. The estimated projected spend for 2016/17 is circa £65,000. The reduction in spend from last year is attributed to the performance of the Contractors as the timeframe to undertake the gas uncap and test has now reduced to five working days. Rents have also reduced by 1% due to new legislation.

Expenditure for transfer allowances for 2015/16 was £108,208 and for the first three months of 2016/17 rent allowances of £20,767 have been issued.

Historically Council tenants who transfer to another Council home have been given two weeks to move. Options to issue rent allowances consistently for all new lettings would equate to a saving as follows:

Options to issue rent allowances consistently for all new lettings	Average monthly transfers	Average weekly allowance	Savings for 2016/17 (7 months)	Potential Annual Savings
Option 1 - Reduce the 14 day allowance to 7 days	44	73.71	22,703	38,919
Option 2 - Reduce the 14 day allowance to a maximum of 5 working days	44	73.71	29,189	50,039
Option 3a - no allowances issued for new tenants	127	52.65	46,806	80,239
Option 3b - no allowances issued for transfers – 2 weeks (based on 528 transfers in 2015/16)	44	73.71	45,405	77,838
Option 3 – Total savings			92,211	158,076

8. Legal Implications

- 8.1 Careful consideration has been given to the original proposal to include the payment of Council Tax arrears as one of the qualifying criterion for joining the Council's housing register. However, the legal advice is that this would be held by the Courts as unlawful as an irrelevant consideration in terms of the overall aims and purpose of housing allocation policies. The policy should filter out those who are not suitable to be allocated Council accommodation and the payment of Council tax arrears does not bear directly on that. Therefore, should the original proposal be implemented, it would leave the Council susceptible to legal challenge. The remaining proposed changes to the allocations policy covered by this report are in keeping with the overall aims and purpose of housing allocation policies and are lawful.
- 8.2 Advice and assistance will be sought from Legal Services in relation to pre-tenancy workshop contracts. The Council must ensure that robust contractual arrangements are put in place, with clearly defined specifications.

9. Human Resources Implications

- 9.1. If Cabinet approves the requirement for certain applicants to undertake pre-tenancy workshops, decisions will need to be taken regarding whether this will be delivered within existing staffing resources, or outsourced. If delivered within existing resources, a comprehensive review of processes within the team would need to be undertaken to allow officer time to be freed up to undertake this task.

10. Implications for Children, Young People and Vulnerable Adults

- 10.1 The provision of pre-tenancy workshops is a homeless prevention tool which will help people to secure and sustain a home. This is of paramount importance to ensuring a stable home for families, the best start in life for children, and vulnerable adults. Good quality, stable homes also helps people to avoid financial hardship and can have a significant impact on people's health and wellbeing.

11. Equalities and Human Rights Implications

- 11.1 An Equalities Impact Assessment has been conducted and consideration of equalities issues has been included into the proposed changes. The pre-tenancy workshops and interviews will ensure that as far as possible tenants are able to sustain independent living in their homes. There will be exemptions for the mandatory interviews and workshops for groups where this would be prohibitive e.g. those who are housebound or in hospital (this is not an exhaustive list). The scheme helps to prevent homelessness across the borough, but especially helps those households on low incomes.

12. Implications for Partners and Other Directorates

- 12.1 The proposals in the report have been produced in conjunction with officers engaged in Allocations, Housing Management and Tenancy Support. The Council is working with partner agencies, specifically around helping under 35 year olds to access and sustain a home, and proposals have been developed in conjunction with these organisations.
- 12.2 The proposals are likely to bring indirect benefits for other directorates and partners, particularly in reducing homelessness for families with children and contributing to local targets on homelessness prevention and financial inclusion / capability.

13. Risks and Mitigation

- 13.1 There are no anticipated risks associated with approving the recommendations in this report.
- 13.2 The risks associated with not approving the report are that:
- New, vulnerable tenants will be at higher risk of failing their tenancy without support.
 - New tenants will continue to be able to apply to transfer early into their tenancies, thereby increasing void resourcing costs and reducing the sustainability of neighbourhoods.

14. Accountable Officers

Tom Bell, Assistant Director of Housing and Neighbourhood Services

Approvals obtained from:

Strategic Director of Finance and Corporate Services: -
Kath Andrews, Principal Finance Officer

Assistant Director of Legal Services: -
Neil Concannon, Service Manager– Litigation

Head of Procurement:-
Lorna Byne, Senior Procurement Category Manager

Human Resources:–
Odette Stringwell, Human Resources Business Partner

Impact of Council Tax debt for the Housing Allocations

Background to analysis

An analysis of the Housing waiting list provided of 5,122 cases was done by cross matching National Insurance numbers and also by cross matching the name and address provided by Housing.

This will not have picked up cases where we do not have a National Insurance Number on the Council Tax system (where no benefit claim has ever been made) or where we do not hold the exact same name and address provided to us by Housing.

Unfortunately any debts not picked up by this cross match could only be identified by manual analysis of each case on the list and there was not sufficient time available to do this. It is anticipated therefore that the number of cases in arrears and the total outstanding balance will be higher than the values listed in this analysis, although not substantially.

The analysis looked for outstanding council Tax debt which had reached Liability Order (L/O) stage.

A Liability Order is granted by the Magistrates Court following failure to maintain payments as demanded. It is only after obtaining the Liability Order that the authority is able to take recovery action.

Breakdown of stages

A total of 585 prospective tenants were found to have outstanding Council Tax at Liability Order stage with a total debt value of £362k.

The 585 cases equates to 11.4% of the waiting list.

As most cases have different L/O's at different stages, usually where there is multiple years' debt outstanding, they have been categorised based on the most serious stage of action.

Stage	Number of Applicants	Average Value	Total L/O Debt
Pre Bailiff	37	£361	£13,356
Arrangement for Payment	49	£388	£19,009
Attachment of Earnings	19	£594	£11,292
Attachment of Benefits	279	£290	£80,767
Enforcement Agents (formerly Bailiffs)	117	£980	£114,757
Committal	84	£1,461	£122,733
	585	£619	£361,914

- **Pre Bailiff**

- These are in the main recently obtained L/O's which will shortly have recovery action taken against them or L/O's where a recovery action such as attachment of benefits has recently failed and warning has been given of the next action.

- **Arrangement for Payment**

- Arrangement for payment of the debt has been made on these cases by the debtor.

Of the 49 cases 13 are currently in default (27%) and these will shortly have alternative recovery action taken.

- **Attachment Of Earnings**

- Attachment of Earnings order currently running.

Deductions are made by employers in accordance with a sliding % scale provided by central government. Deductions are based on net earnings.

Where wages are low deductions can often be below ongoing Council Tax instalments and as such despite payments being received the actual outstanding balance increases month on month.

- **Attachment of Benefits**

- Deductions are set each year by central government and this year stand at £14.60 per month.

Currently a working age benefit claimant when in receipt of full CTRS (91.5%) will have to pay Council Tax of £82.94 for a couple or £62.21 for a single adult. These figures are for an unparished Band A property.

The recovery process takes a minimum 3 months from billing before deductions can be requested and usually a delay of 3 months before DWP actions the request and makes payment to the authority. Any changes to benefit during the year (including sanctions) means that deductions have to be requested again generally meaning a further minimum 3 months delay.

These delays mean that unless additional voluntary payments are made, for most cases Council Tax arrears are increasing year on year even in the cases where deductions are running smoothly.

Of the 279 cases at this stage only 64 have a balance of £100 or less and are likely to be collected in year. The remaining 215 cases are likely to see arrears increase each year.

The average balance is £290. A total of 34 cases have balances of over £500 of which 12 have balances in excess of £1,000.

The largest balance at this stage is £4,321 which dates back to 2009. This will take at best 24 years to clear, without additional voluntary payments, by which time a further 24 years debt will have accumulated.

- **Enforcement Agents (formerly Bailiffs)**

- These cases are currently with Enforcement Agents for collection

Cases at this stage tend to have a larger balance with the average being £981 and the largest being £5,647 which dates back to 2010.

A total of 44 cases have a balance of in excess of £1,000.

- **Committal to prison**

- Once Enforcement Agents return a case they are unable to collect the only available recovery action tends to be the commencement of proceedings for committal to prison. This is a very costly (£240 for committal summons alone) and time consuming process with the returns low.

Again the balances tend to be larger at this stage with the average being £1,461. The highest balance at this stage is £5,187 which dates back to 2008. A total of 23 cases have a balance in excess of £2,000 which a further 19 have a balance in excess of £1,000.

Tenant Bands

The waiting list has been split into Bands of tenants so we have analysed the debts by stage of action within the Bands.

The data is shown in the two tables below with the number of applicants in table 1 and the value of their debt in table 2

Table 1 - Numbers of applicants

Stage	Band 1	Band 2	Band 3	Transfer Band
Pre Bailiff	1	8	20	8
Arrangement for Payment	5	12	24	8
Attachment of Earnings	1	2	8	8
Attachment of Benefits	28	87	100	64
Enforcement Agents (formerly Bailiffs)	11	27	60	19
Committal	5	20	42	17
	51	156	254	124

Table 2 – Value of debt

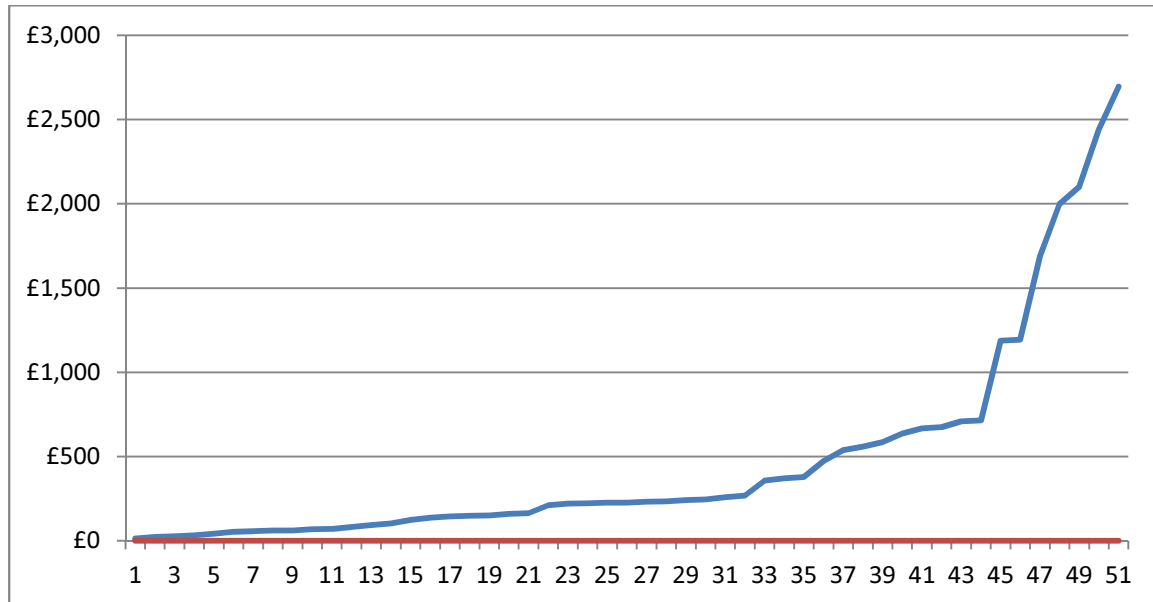
Stage	Band 1	Band 2	Band 3	Transfer Band
Pre Bailiff	£71	£1,726	£8,756	£2,807
Arrangement for Payment	£963	£5,496	£9,240	£3,310
Attachment of Earnings	£675	£1,491	£3,722	£5,353
Attachment of Benefits	£6,084	£24,464	£34,656	£15,563
Enforcement Agents (formerly Bailiffs)	£9,598	£21,026	£64,649	£19,485
Committal	£6,998	£28,925	£61,139	£25,717
	£24,389	£83,128	£182,162	£72,235

Distribution of debt within Bands

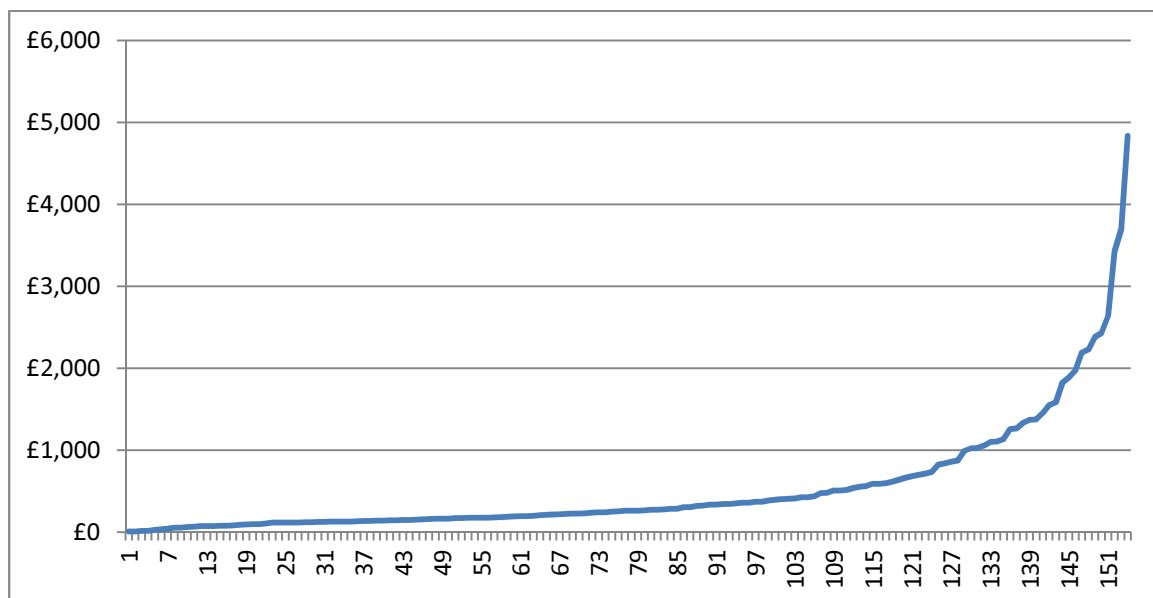
The following Charts show how the distribution of each debt within the four Bands.

The horizontal axis shows each debt within the band while the vertical axis shows the value of each debt.

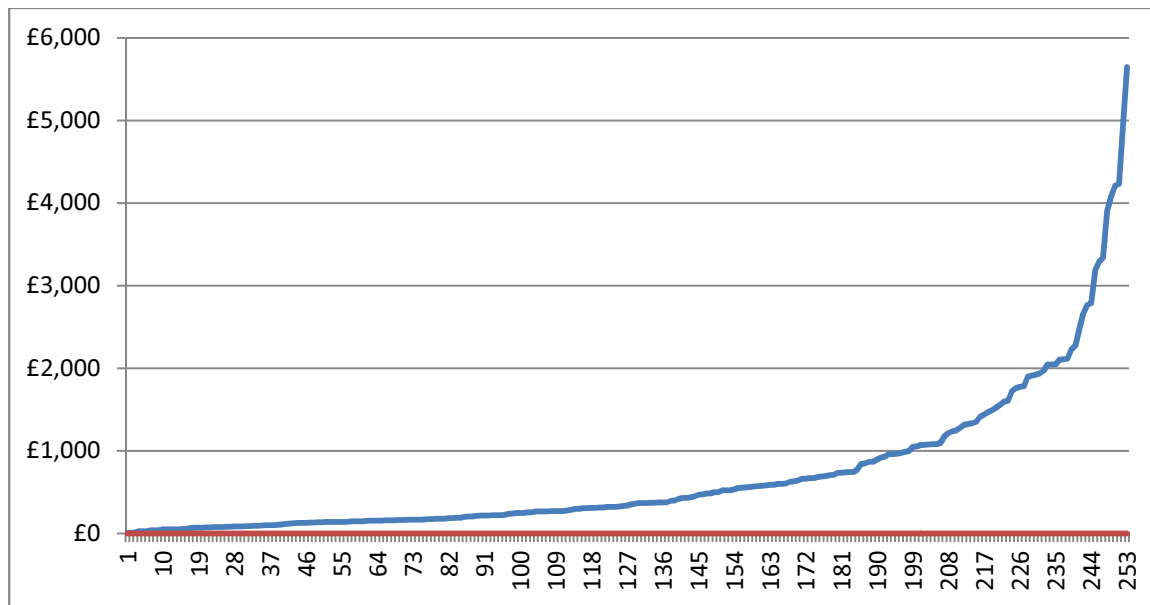
Band 1



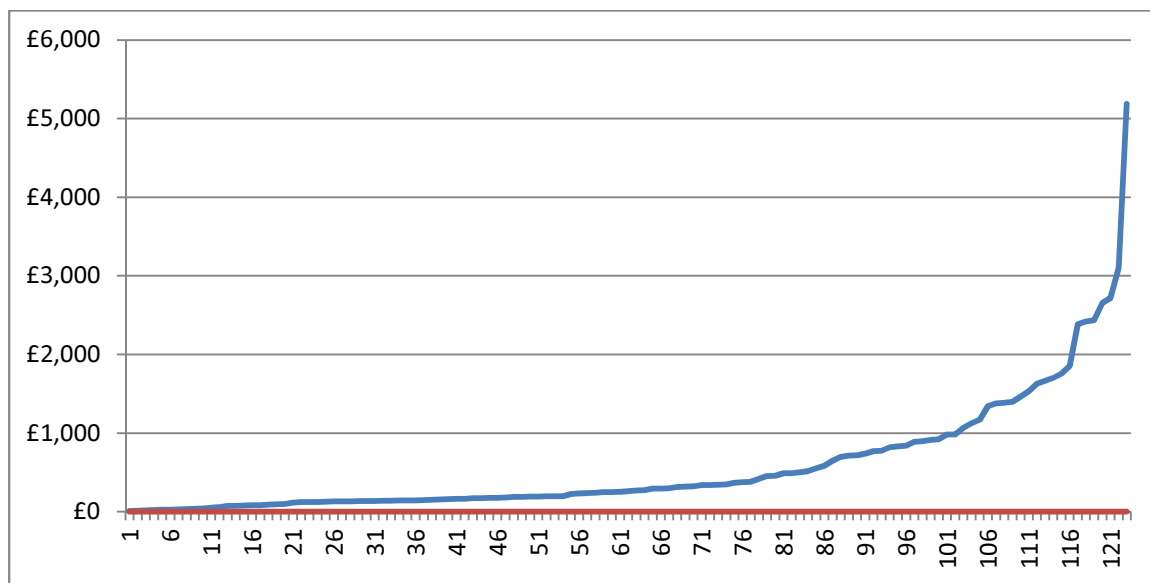
Band 2



Band 3



Transfer Band



Equality Analysis Action Plan - See page 9 of guidance step 6 and 7

Time Period 31 March 2017 to 31 March 2018

Manager: Sandra Tolley

Service Area: Housing Options

Tel: 01709 255619

Title of Equality Analysis: Housing Allocation Policy

If the analysis is done at the right time, i.e. early before decisions are made, changes should be built in before the policy or change is signed off. This will remove the need for remedial actions. Where this is achieved, the only action required will be to monitor the impact of the policy/service/change on communities or groups according to their protected characteristic.

List all the Actions and Equality Targets identified

Action/Target	State Protected Characteristics (A,D,RE,RoB,G,GI O, SO, PM,CPM, C or All)*	Target date (MM/YY)
We will be monitoring the effect of changes of the policy on areas such as: • Number of households on the Housing register • Reduction in evictions due to affordability • Termination reasons • Number of empty homes • Void turnaround times • Void Rent Loss • Expenditure on rent allowances • Ethnic origin and Nationality of households on the register • Homeless Preventions • Number of applicants completing the pre tenancy workshops • Number of applicants completing e-learning pre tenancy workshops for people who live out of the Borough eg people leaving the armed forces	All	Base line 31 March 2017 Review 31 March 2018
We will be offering assistance to those in difficulty by: • Signposting to advice agencies and money advice • Supporting vulnerable people to attend workshops • Referrals to Housing Assessment Panel to consider rehousing	All	Ongoing

Name Of Director who approved Plan	Tom Bell	Date 18 January 2017	

*A = Age, C= Carers D= Disability, G = Gender, GI Gender Identity, O= other groups, RE= Race/ Ethnicity, RoB= Religion or Belief, SO= Sexual Orientation, PM= Pregnancy/Maternity, CPM = Civil Partnership or Marriage.

Website Summary – Please complete for publishing on our website and append to any reports to Elected Members, SLT or Directorate Management Teams

Completed equality analysis	Key findings	Future actions
Directorate: Adult Care and Housing Function, policy or proposal name: Housing Allocations Policy Function or policy status: Changing the policy Name of lead officer completing the assessment: Sandra Tolley Date of assessment: 17 January 2017	Until 2014 the Council operated an open Housing Register meaning that anyone could apply, and bid for properties through the Choice Based Lettings system, with properties being allocated in accordance with priority need. On 29th October 2014 the Policy was changed so that only those in housing need could join the Housing Register, reducing the list by over 10,000. On 24th July 2015 – creation of a new band 4 to allow people who are not in housing need to bid for these low-demand properties. February 2017 – report to Cabinet proposing a further 6 changes, which aim to increase tenancy sustainability, reduce expenditure in respect of void costs and rent allowances. The will also help to prepare for changes brought about by the Welfare Reform and Work Act 2016 and the pending Homelessness Reduction Bill which will amend the Housing Act 1996 to make provision about measures for reducing homelessness. The changes will provide more pre-tenancy support to vulnerable people to therefore sustain their tenancy Through this approach we will pick up issues of vulnerability e.g. mental health, disabilities	We will be monitoring the effect of changes of the policy on areas such as: • Number of households on the Housing register • Reduction in evictions due to affordability • Termination reasons • Number of empty homes • Void turnaround times • Void Rent Loss • Expenditure on rent allowances • Ethnic origin and Nationality of households on the register • Homeless Preventions • Number of applicants completing the pre tenancy workshops • Number of applicants completing e-learning pre tenancy workshops for people who live out of the Borough eg people leaving the armed forces Exceptions will be made for the mandatory interviews and workshops for groups where this would be prohibitive e.g. housebound, in hospital (this is not an exhaustive list). There will alternative delivery mechanisms to cater for people's needs e.g. online workshops for those who live outside the Borough such as people leaving the armed forces. In exceptional circumstances rent allowances will be issued. The criteria for this would be applicants who are placed in Band 1 in financial difficulties, or homeless applicants living in temporary accommodation, or safeguarding cases.

Signed:

A handwritten signature in black ink, appearing to read "Russell". The signature is written in a cursive, flowing style with a large initial 'R'.

19 January 2017

Financial Services**Statement of Assurance for Cabinet Reports**

Financial Services

Report Title	Amendments to the Housing Allocation Policy
Summary/Key Financial Issues	The report recommends four amendments to the housing Allocation Policy. a) Introduction of a programme of pre-tenancy workshops and support for all prospective new tenants b) Introduction of pre housing register housing options interviews to give new customers an opportunity to learn about Rotherham Council homes and other affordable housing options. c) Implementation of restrictions on tenants transferring within the first two years of their tenancy. d) Setting rent allowances at a consistent level for existing tenants and new tenants, by either issuing a rent allowance of up to a maximum of 5 working days or stopping the use of rent allowances for new lettings and transfers. A and B aim to improve tenancy sustainment levels. C and D aim to reduce the rent lost by removing rent allowances currently offered to new and transferring tenants.
Responsible Finance Officer's Comments	This sign-off sheet has been provided based on a version of the report provided by Sandra Tolley on 7th September 2016. The cost of providing the pre-tenancy support programme is not identified as this will be based on decisions regarding the level of service to be provided. It is anticipated that any costs would be funded by HRA resources. Any costs would be offset by reduced revenue costs of managing void properties resulting from failed tenancies, which is currently an average of £2k per property. Alternatively, a lower level of service provision to facilitate a workshop for 12 applicants each week could be delivered within existing staffing resources but will impact on workloads. There is potential for additional staff resource, dependent upon the Housing Income Service review which is awaiting final sign off. A comprehensive review of services would be required in order to accommodate this additional task. The removal of rent allowances would save in the region of £158k per annum in lost rent.
Signature of Responsible Finance Officer	K A Oakes
Date	14 September 2016

Statement of Assurance

I hereby confirm that the report highlighted above has been reviewed by relevantly qualified officers within Financial Services, that the financial implications, assumptions and recommendations have been fully considered and confirmed from a financial perspective and recommend that the report be sent forward for consideration by Cabinet

Signed: _____

Date: _____

Summary Sheet

Council Report

Cabinet and Commissioners' Decision Making Meeting – 13 February 2017

Title

Allotment Rents 2018-19

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

Yes

Strategic Director Approving Submission of the Report:

Damien Wilson, Strategic Director, Regeneration and Environment

Report author:

Phil Gill, Leisure and Green Spaces Manager

Ward(s) Affected:

All

Summary:

To seek approval to increase allotment rents for the 2018-19 financial year

Recommendations

1. That allotment rents for the 2018-19 financial year be set at levels shown in Appendix 1 (Option 2).
2. That officers in Leisure and Green Spaces write to existing allotment tenants to advise them of the new rents, at least 12 months in advance of their introduction on 1st April 2018.

List of Appendices Included

Appendix 1 – Proposed allotment rents

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: Allotment Rents 2018-19

1. Recommendations

- 1.1 That allotment rents for the 2018-19 financial year be set at levels shown in Appendix 1 (Option 2).
- 1.2 That officers in Leisure and Green Spaces write to existing allotment tenants to advise them of the new rents, at least 12 months in advance of their introduction on 1st April 2018.

2. Background

- 2.1 Leisure and Green Spaces review allotment rents annually. Rents are set one year in advance to allow tenants to be given 12 months' notice of any increase, which is a statutory requirement. Therefore, rents recommended here are for 2018-19. The setting of rents for allotments is subject to further legal considerations, as set out in Section 8 below.
- 2.2 The Council lets plots on some allotment sites directly to individual tenants, whilst others are leased to allotment societies who pay the Council a rent based on the usable area of the site. Proposed rents for both types of site are recommended in this report.
- 2.3 Rents at better equipped (Class A) sites are slightly higher than at other (Class B) sites. All sites managed directly by the Council are Class B, while a mix of Class A and Class B sites are leased to allotment societies.
- 2.4 Although there are waiting lists for many allotment sites across Rotherham, demand on a small number of sites is low, and consequently land can be offered for grazing and commercial growers. Following a review of grazing, the previous fixed rate has been replaced by a tendering process during 2016 as this is believed to be a better way of successfully letting at the best price for the Council. It is proposed that the rent for commercial growers remains unchanged as there has been very little uptake of this recently.
- 2.5 A strategic review of the allotment service is due to take place in 2017. This will include consideration of alternative service delivery options and future rents. Should this result in any proposals that affect the recommendations contained within this report, then a further report will be brought to allow these to be considered.

3. Key Issues

- 3.1 An annual review of allotment rents is an important part of the budget process, as it has a direct impact on the amount of income received by Leisure and Green Spaces, and is therefore critical to ensure sufficient financial resources for continued service delivery.
- 3.2 The process for setting allotment rents is governed by statute. Consideration of information set out in this report is an important part of this process

4. Options considered and recommended proposal

4.1 Increase allotment rents by around 8%

Rents are normally increased each year, reflecting what a tenant might reasonably expect to pay for allotment land, and also to generate sufficient income to meet all relevant costs associated with continued service delivery. An increase of around 8% in 2018-19 has been calculated as being necessary to achieve this outcome, taking into account projections of future costs, planned reductions in budget support as a result of further local government funding reductions, and comparable rents charged elsewhere in England.

4.2 Increase allotment rents in line with the rate of inflation

A rent increase based on the Retail Prices Index (RPI) should, in theory, be sufficient to cover increased costs of service delivery. However, this does not take into account an expected reduction in budget support by 2018-19. The rates shown in Appendix 1 (Option 2) have been calculated using the RPI reported by the Office for National Statistics in December 2016 (2.2%), although HM Treasury currently forecasts that RPI will increase to 3.2% in 2017. This Option would be expected to generate around £3,500 less income than option 1.

4.3 Maintain allotment rents at the same rate as in 2017-18

This option would be expected to generate around £5,000 less income than Option 1.

4.4 Recommended option

In considering the options, it is acknowledged that there is a public interest in sustaining demand for allotment gardening because of the benefit such activity brings, including improving public health, involving local people in their communities, and care of the environment within allotment sites. Therefore, Option 2 (increasing rents by 2.2%, in line with the current RPI) is recommended. Option 1 is not favoured as it would be neither helpful nor appropriate to recommend increasing rents above inflation before the findings of the forthcoming strategic review of the allotment service have been fully considered. Option 3 would lead to a reduction in real terms in income available to support service delivery, and is therefore not recommended.

5. Consultation

5.1 The matter has been discussed with Rotherham and District Allotments Association who agreed that the three options described above should be presented to Cabinet. The Association has raised concerns that Option 1 could create affordability issues for some members.

5.2 Consultation will take place with Rotherham and District Allotments Association and allotment tenants as part of the forthcoming allotment service review. Should this review result in proposals that affect the recommendations contained within this report, then a further report will be brought.

6. Timetable and Accountability for Implementing this Decision

- 6.1 Proposed allotment rents would apply for one year from 1st April 2018.
- 6.2 Managers within Leisure and Green Spaces will be responsible for implementation of the recommended rents.

7. Financial and Procurement Implications

- 7.1 All income from rents will continue to be ring-fenced to support service delivery. It is anticipated that the overall cost of this Service will be £82,800 in 2018-19. This comprises around £60,500 staff costs, £8,000 premises costs, £8,500 transport costs and £5,000 miscellaneous other costs.
- 7.2 The Council has pursued actions over recent years to reduce the cost of delivering the service. The gross cost is budgeted to be around £34,000 (or 30%) less in 2016-17 than it was in 2010-11. This saving has been achieved by reducing the number of allotment operatives from two to one, and by reductions in most non-salary budgets. Whilst further efficiency savings continue to be made where possible, scope to do so is less than previously. Increasing rents as a way of achieving budget savings has only been considered after reductions in service costs have been implemented.
- 7.3 Assuming that demand for allotments continues at current levels, then the recommended option of a 2.2% increase in rents would be expected to generate around £79,300 income, which is around £3,500 less than projected service costs. Therefore, continued core revenue budget support (subsidy) will be required in that year, unless service costs can be reduced or alternative funding can be identified.
- 7.4 There are no procurement implications arising from this report.

8. Legal Implications

- 8.1 Section 10 of the Allotments Act 1950 states "Land let by a council under the Allotments Acts 1908 to 1931, for use as an allotment shall be let at such rent as a tenant may reasonably be expected to pay for the land if let for such use on the terms (other than terms as to rent) on which it is in fact let.
- 8.2 A previous Fees and Charges report taken to Cabinet Member for Culture and Tourism on 12th January 2015 referred to a recent court ruling that the most usual way of determining what a tenant might expect to pay would be to look at rents charged by other Councils. The report also contained data published by the Association of Public Service Excellence (APSE), showing how rents charged in Rotherham compared with 15 other districts in the north of England. A similar comparison is shown in Figure 1, using updated rent information for 2016-17.

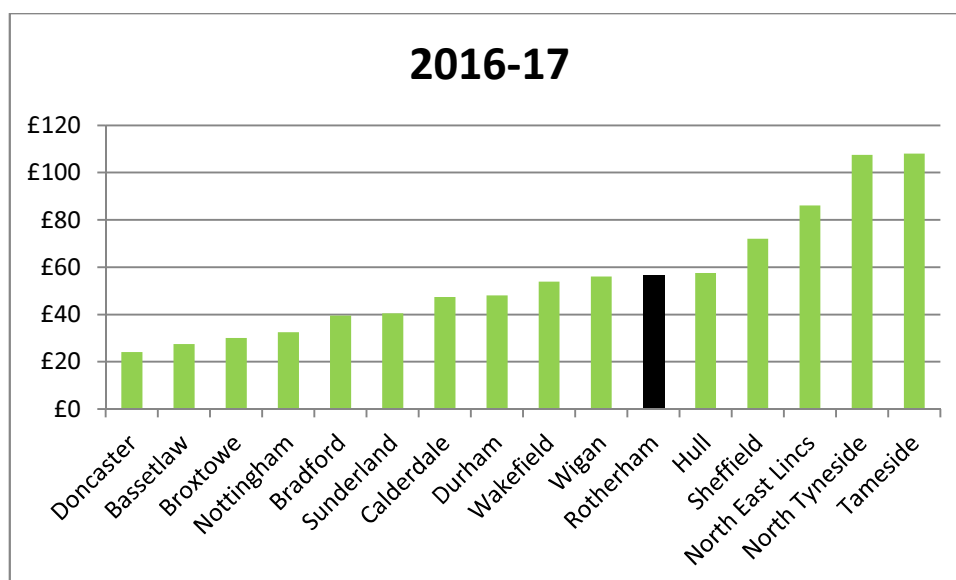


Figure 1. Annual Rent Charged for 250m² plot (2016-17)

This shows that current rents in Rotherham are within the range of rents charged in comparator authorities. Whilst similar comparative data is not available for future years, the recommended rent for 2018-19 would still be within the 2016-17 range, at £60.75 for a 250 m² plot.

- 8.3 The Council is required by law to give tenants a minimum of 12 months' advance notice of rent increases.

9. Human Resources Implications

- 9.1 Not applicable with regards to this report.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 Not applicable with regards to this report

11. Equalities and Human Rights Implications

- 11.1 Not Applicable with regards to this report.

12. Implications for Partners and Other Directorates

- 12.1 None Identified

13. Risks and Mitigation

- 13.1 Given the length of time before the new rents are due to come into force, it is possible that there will be significant changes in levels of demand for allotments, and in the cost of delivering the service. Consequently, there is a risk that actual income might fall short of, or exceed, the service cost. If this happened, then any mitigation would need to involve controlling service costs or identifying alternative sources of income.

14. Accountable Officer

Damien Wilson, Strategic Director, Regeneration and Environment

Approvals Obtained from:-

Strategic Director of Finance and Customer Services:-

Jon Baggaley, Finance Manager, Regeneration & Environment and Capital

22nd November 2016

Assistant Director of Legal Services:-

Stuart Fletcher, Service Manager (Commercial and Governance)

23rd November 2016

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

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

Appendix 1

OPTION 1	2017/18	2018/19	% increase
Description			
Commercial Growers - per square metre	40p	40p	0%
Site per sqm (allotment societies) Class A	23.5p	25.3p	7.70%
Site per sqm (allotment societies) Class B	21.2p	22.9p	8.00%
Grazing per square metre	By tender	By tender	n/a
Plot (plus water rates) per square metre - Class A	26.4p	28.4p	7.60%
Plot (plus water rates) per square metre - Class B	23.8p	25.7p	8.00%

OPTION 2	2017/18	2018/19	% increase
Description			
Commercial Growers - per square metre	40p	40p	0%
Site per sqm (allotment societies) Class A	23.5p	24p	2.20%
Site per sqm (allotment societies) Class B	21.2p	21.7p	2.20%
Grazing per square metre	By tender	By tender	n/a
Plot (plus water rates) per square metre - Class A	26.4p	27p	2.20%
Plot (plus water rates) per square metre - Class B	23.8p	24.3p	2.20%

OPTION 3	2017/18	2018/19	% increase
Description			
Commercial Growers - per square metre	40p	40p	0%
Site per sqm (allotment societies) Class A	23.5p	23.5p	0%
Site per sqm (allotment societies) Class B	21.2p	21.2p	0%
Grazing per square metre	By tender	By tender	n/a
Plot (plus water rates) per square metre - Class A	26.4p	26.4p	0%
Plot (plus water rates) per square metre - Class B	23.8p	23.8p	0%

Public Report
Cabinet and Commissioner Decision Making Meeting

Council Report

Cabinet and Commissioners' Decision Making Meeting – 13 February 2017

Title

Proposal to permanently remove public phone boxes in the Borough

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

Yes, this item has been included on the Forward Plan

Strategic Director Approving Submission of the Report

Damien Wilson, Strategic Director of Regeneration & Environment

Report Author

Rachel Overfield, Planning Officer, Planning, Regeneration and Transport
Rachel.overfield@rotherham.gov.uk

Ward(s) Affected

All wards are affected except for Rotherham East

Summary

BT has proposed the removal of 48 public phone boxes around the Borough which they consider are no longer viable to maintain in use. Under Ofcom guidance the Council is required to undertake a two stage public consultation on the proposal from BT. After considering comments, raised from the consultation process, the Council can then make a final decision on any phone boxes which it agrees that BT could remove or any which it considers should remain in active use for public calls.

Should the Council object to the removal of any phone boxes then BT must retain these in place and continue to maintain them for public calls (referred to as the 'local veto'). Where it is agreed that BT can remove phone boxes they will do so unless the kiosks are adopted by an appropriate group (following removal of the phone equipment).

It is proposed that the Council agree to the removal of 25 of the 48 phone boxes but that 23 are retained for public calls under the local veto. The list of all 48 phone boxes is detailed in Appendix 1.

Recommendations

That approval be given to the closure of public phone boxes in the Borough and a veto be exercised where an objection has been detailed in Appendix 1.

List of Appendices Included

Appendix 1: Proposed decision on each public phone box

Appendix 2: Legislative information and procedures

Background Papers

Ofcom guidance on procedures for the removal of public phone boxes (including required consultation requirements):

<http://stakeholders.ofcom.org.uk/binaries/consultations/uso/statement/removals.pdf>

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Title: Proposal to permanently remove public phone boxes in the Borough

1. Recommendations

- 1.1 That approval be given to the closure of public phone boxes in the Borough and a veto be exercised where an objection has been detailed in Appendix 1.

2. Background

- 2.1 BT wish to remove 48 payphones which have been identified as unviable for public calls. BT propose not to remove any public payphones located in suicide hotspots, accident blackspots, or in areas without any mobile coverage. Payphones will only be removed if the following criteria are met: if it is the only payphone within 800 metres and had at least 12 calls of any type within 12 months; and that the local population is not fewer than 500 households within 1 kilometre of the payphone.
- 2.2 Ofcom guidance outlines a procedure for phone box removal, which necessitates the Council to consult on the proposals and a final decision to be made within 90 days of receiving the proposals from BT. A request for an extension has been granted until 14 February 2017 which will allow consideration by Cabinet on 13 February 2017 (subject to agreement to waive the call in period for decisions).

3. Key Issues

- 3.1 The Council is obliged to consult on proposals by BT to remove public phone boxes. The Council considers the responses to the consultation, including any responses from stakeholders and members of the public before making a draft decision. Following a further consultation period a final decision can be made. The Council should consider any objections received prior to making its final decision.
- 3.2 The Council must be satisfied that it has acted in accordance with the six community requirements set out in Section 4 of the Communications Act 2003 (see Appendix 2). Ofcom has included in its guidance the factors which it considers relevant to the decision. BT cannot proceed to remove any call box that is the subject of objections supported by the Council in the Final Notification - known as the "local veto".

4. Options considered and recommended proposal

- 4.1 Options available are to make a final decision either to object or agree to the proposal for public phone box removals. The recommended proposal is set out at Appendix 1.

5. Consultation

- 5.1 In line with Ofcom guidance the Council has consulted on the proposals by BT. In addition to comments received during the public consultation, the Council has considered whether to support or object to the proposed public phone box closures based on internally derived criteria:

- Whether phone boxes are recorded as having had 52 or more calls in 12 months (this is equivalent to one call per week which is considered to be a reasonable level of usage).
- Whether phone boxes are close to areas where highways injury incidents have been recorded.
- Whether the subject is a red phone box (typically a “K6” box) located in a Conservation Area.
- Whether sites are located in areas at high risk of flooding.
- Whether phone boxes are in areas with a high level of population over 75 years of age, is in an area of below national average home ownership and has fewer than 50 properties within 400 metres.

- 5.2 The first consultation on the proposals from BT was undertaken from 1st to 16th November 2016. Objections to closure were received for some of the public phone boxes. Following the first consultation a draft decision on whether to agree or object to the removal of phone boxes was made. This draft decision was then subject to a final consultation between 29th November and 30th December 2016. Further responses were received to this final consultation.
- 5.3 As a result it is proposed to agree to the removal of 25 of the phone boxes and object to the removal of 23 phone boxes. The recommendations for each phone box are set out at Appendix 1. Where the Council objects to the removal of phone boxes BT must retain these in use for public calls. Where the Council agrees with the removal of phone boxes BT will remove the phone box, including phone equipment.
- 5.4 It is proposed to object to the removal of a number of traditional red telephone boxes within Conservation Areas however, a number red phone boxes outside these areas are agreed for removal. The traditional boxes are often considered by communities to make an important contribution to the character of areas. A web link providing information regarding phone kiosk adoption was provided in the consultation and BT’s “Adopt a kiosk scheme” detailed in the consultation web pages.
- 5.5 No organisations have come forward committing to adopt the traditional (K6) phone boxes proposed for removal. Should an organisation come forward to adopt a phone proposed for removal BT would remove the telephone equipment but the physical phone box housing would be retained.

6. Timetable and Accountability for Implementing this Decision

- 6.1 Ofcom guidance advises on the role of the local planning authority in objecting or consenting to public phone box removal within a time frame of 90 days of the initial notice being received. The 90 day period originally concluded on 6th January 2017; however following negotiation with BT this has been extended to 14 February 2017 to enable a final decision to be made by Cabinet at its meeting on 13 February 2017. The Chair of Overview and Scrutiny Management Board has agreed to waive the call in period for any decision, based on the exceptional circumstances relating to the timescales determined by the Communications Act 2003. The table below sets out the key dates relating to this process.

Receipt of notice from BT	6th October 2016
First consultation	1st November to 16th November 2016
Consultation on Draft Decision	29th November to 30th December 2016
Final Decision	13th February 2017 (Cabinet decision)
Deadline for response to BT and Secretary of State	14th February 2017

7. Financial and Procurement Implications

- 7.1 The consultation and associated administration costs of the public phone box removal proposals have been met within existing budgets. BT has confirmed that on removal of a telephone box their contractors will reinstate the ground surface to match the surroundings. Where these works are carried out on land owned by the Council, should any safety concerns be identified, then the Council will serve a notice on BT to make good any reinstatement and recover costs.

8. Legal Implications

- 8.1 The Council must ensure that the final decision made complies with the requirements of the Communications Act 2003 (set out in Appendix 2).

9. Human Resources Implications

- 9.1 None.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 Not everyone has their own landline or mobile phone and therefore the criteria in paragraph 5.1 has been used to assess each phone box.

11. Equalities and Human Rights Implications

- 11.1 There may be residents who have limited access to mobile phones and land line connections, particularly those on low incomes and elderly people. The criteria set out in the Communications Act 2003 and the internally derived criteria as set out in Paragraph 5.1 have been used to assess phone box removal.

12. Implications for Partners and Other Directorates

- 12.1 No implications have been identified.

13. Risks and Mitigation

- 13.1 The risk to communities and individuals in having the phone boxes removed has been reduced through criteria for phone box retention, public consultation on BT's proposals and the application of the local veto.

14. Accountable Officer(s)

Damien Wilson, Strategic Director, Regeneration & Environment

Approvals Obtained from:

Strategic Director of Finance and Customer Services:
Jon Baggaley, Finance Manager

Assistant Director of Legal Services:
Ian Gledhill, Principal Officer, Legal Services

Head of Procurement (if appropriate):
N/A

Appendix 1: Extract of schedule showing the proposed final decision on each public phone box

Address	Post Code	Recommendation	Reasons
SCHOLES VILLAGE, ROTHERHAM	S61 2RQ	Agree to the removal	Rotherham District Civic Society objection received. However, as it is not a traditional red phone box the conservation area location in itself is not considered sufficient reason for its retention.
NR YELLOW LION HOTEL, WORKSOP ROAD, ASTON, SHEFFIELD	S26 2AN	Object to the removal	Red phone box located in Conservation Area. Aston Cum Aughton History Group objection received (and phone box address correction).
NR JNCT WORKSOP ROAD, AUGHTON LANE, ASTON, SHEFFIELD	S26 2AN	Agree	No objection was raised.
JCN HOLDERNESS DRIVE & WESLEY AVENUE, ASTON, SHEFFIELD	S26 2DU	Agree	No objection was raised.
STREET LANE, WENTWORTH, ROTHERHAM	S62 7SF	Object	Less than 50 properties within 400 metres; lower than national level of home ownership; level of over 75 population in the area. One objection received.
JCN PLEASLEY ROAD, HIGH STREET, WHISTON, ROTHERHAM	S60 4HH	Object	Over 52 calls in 12 months; red phone box located in Conservation Area; objections received from Whiston Parish Councillor, Whiston Parish Council, Rotherham District Civic Society and nine objections were received in the final public consultation.
MAPPINS ROAD, CATCLIFFE, ROTHERHAM	S60 5TH	Object	Over 52 calls in 12 months; located in high flood risk area.
JCN BOSTON CASTLE GROVE & MOORGATE ROAD, ROTHERHAM	S60 2BQ	Object	Red phone box located in Conservation Area; 5 objections received including Rotherham District Civic Society
KENT AVENUE, MONKWOOD ROAD, RAWMARSH, ROTHERHAM	S62 7JN	Agree	No objection was raised.
JCN WILLOWGARTH & CLAYPIT LANE, RAWMARSH, ROTHERHAM	S62 5HB	Object	Over 52 calls in 12 months; area below national average home ownership.
JCN HOOBER LANE & ANGEL LANE, HOOBER, ROTHERHAM	S62 7SA	Agree	No objection was raised.
JCN ELM GROVE & MUNSBROUGH RISE, ROTHERHAM	S61 4NN	Object	Over 52 calls in 12 months; area below national average home ownership.

Address	Post Code	Recommendation	Reasons
JCN BARING RD & THUNDERCLIFFE ROAD, ROTHERHAM	S61 2BY	Agree	No objection was raised.
O/S SCHOOL, KIMBERWORTH ROAD, ROTHERHAM	S61 1HF	Object	Over 52 calls in 12 months.
JCN JORDAN CRES & MEADOW BANK ROAD, ROTHERHAM	S61 2NF	Agree	No objection was raised.
JCN MEADOW VIEW RD & HIGHTHORN ROAD, KILNHURST, MEXBOROUGH	S64 5UP	Object	Over 52 calls in 12 months.
JNC CHURCH STREET & RACECOURSE ROAD, SWINTON, MEXBOROUGH	S64 8DW	Object	Location highlighted as one where there are significant number of injury collisions.
OFF LAWRENCE DRIVE, CALLADINE WAY, SWINTON, MEXBOROUGH	S64 8SA	Agree	One response received in agreement with phone removal.
WORRY GOOSE LANE, WHISTON, ROTHERHAM	S60 4AA	Object	Location highlighted as one where there a significant number of injury collisions
OPP JCN GILLOTT LANE, MORTHEN ROAD, WICKERSLEY, ROTHERHAM	S66 1DX	Agree	Rotherham District Civic Society objection received. However, as it is not a traditional red phone box the conservation area location in itself is not considered sufficient reason for its retention.
JCN BLACKTHORN AVE & SYCAMORE AVENUE, WICKERSLEY, ROTHERHAM	S66 2NW	Object	Over 52 calls in 12 months.
WOODHOUSE GREEN, THURCROFT, ROTHERHAM	S66 9AH	Object	Over 52 calls in 12 months.
JCN KATHERINE ROAD & BRAMPTON ROAD, THURCROFT, ROTHERHAM	S66 9AP	Agree	No objection was raised.
GREEN ARBOUR ROAD, THURCROFT, ROTHERHAM	S66 9LA	Object	Over 52 calls in 12 months.
JCN BRECKS LANE & WICKERSLEY ROAD, ROTHERHAM	S60 3PN	Object	Location highlighted as one where there are significant number of injury collisions.
SITWELL PARK ROAD, ROTHERHAM	S60 4BW	Agree	No objection was raised.
JCN CHADWICK DRIVE & BRAITHWELL ROAD, MALTBY, ROTHERHAM	S66 8AD	Object	Over 52 calls in 12 months.
JCN CARR LANE & ROTHERHAM ROAD, MALTBY, ROTHERHAM	S66 8ES	Agree	No objection was raised.
SALISBURY ROAD, MALTBY, ROTHERHAM	S66 7HD	Agree	No objection was raised.
JCN HAWKSWORTH & LAUDSDALE ROAD,	S65 3LY	Object	Over 52 calls in 12 months.

Address	Post Code	Recommendation	Reasons
ROTHERHAM			
JCN PINGLE LANE & MAIN STREET, RAVENFIELD, ROTHERHAM	S65 4NA	Agree	Rotherham District Civic Society objection received. However, as it is not a traditional red phone box the conservation area location in itself was not considered sufficient reason for its retention.
JCN GERARD AVE & MUSGROVE AVENUE, THRYBERGH, ROTHERHAM	S65 4EF	Object	Over 52 calls in 12 months.
KILNHURST ROAD, HOOTON ROBERTS, ROTHERHAM	S65 4PE	Agree	No objection was raised.
JCN QUARRY HILL RD & WATH WOOD ROAD, WATH UPON DEARNE, ROTHERHAM	S63 7TN	Object	Over 52 calls in 12 months.
WEST MOUNT AVENUE, WATH UPON DEARNE, ROTHERHAM	S63 6DW	Object	Lower than national level of home ownership; level of over 75 population in the area.
JCN NORTON LANE/NR NORTON RD, BARNSLEY ROAD, WATH UPON DEARNE, ROTHERHAM	S63 6PZ	Agree	No objection was raised.
THE CRESCENT, SWINTON, MEXBOROUGH	S64 8ET	Agree	No objection was raised.
JCN PACKMANS RD & ROTHERHAM ROAD, WATH UPON DEARNE, ROTHERHAM	S63 6AD	Agree	No objection was raised.
OUTGANG LANE, DINNINGTON, SHEFFIELD	S25 3QY	Agree	No objection was raised.
BROOKHOUSE, SHEFFIELD	S25 1YA	Agree	No objection was raised.
NR CHURCH LANE, MONKSBRIDGE ROAD, DINNINGTON, SHEFFIELD	S25 3QS	Object	Location highlighted as one where there are significant number of injury collisions.
JCN ST DAVIDS DRIVE & ST. JAMES AVENUE, SOUTH ANSTON, SHEFFIELD	S25 5DR	Agree	No objection was raised.
NEAR JCN BURRS LANE & ROTHERHAM BAULK, GILDINGWELLS, WORKSOP	S81 8DB	Agree	Rotherham District Civic Society objection received. However, as it is not a traditional red phone box the conservation area location it was not considered sufficient reason for its retention.
RED HILL, KIVETON PARK, SHEFFIELD	S26 6QA	Agree	No objection was raised.
JCN VICTORIA CLOSE & STATION ROAD, KIVETON PARK, SHEFFIELD	S26 6QQ	Agree	No objection was raised.
JCN UNION STREET & WOODALL LANE, HARTHILL, SHEFFIELD	S26 7YQ	Object	Red phone box located in Conservation Area; Rotherham District Civic Society objection received.
WINNEY HILL, HARTHILL, SHEFFIELD	S26 7YL	Agree	No objection was raised.

Address	Post Code	Recommendation	Reasons
JCN KIVETON PARK STATION ROAD, KIVETON PARK, SHEFFIELD	S26 6QP	Object	Over 52 calls in 12 months.

Appendix 2: Legislative information and procedures

1. Procedures set out by Ofcom, under the Communications Act 2003, require the Council to organise consultation with local communities about the proposed call box removal. Ofcom guidance on the removal of public phone boxes outlines a number of factors local planning authorities are advised to consider when making a decision over the proposed removal of public telephone boxes. It requires a draft decision to be made by the Council and the Secretary of State to be notified.
2. The Relevant Public Body must be satisfied that it acted in accordance with the six community requirements set out in Section 4 of the Communications Act 2003 ('the Act'). These are:
 - To promote competition in the provision of electronic communications networks and services, associated services and facilities and the supply of directories;
 - To contribute to the development of the European internal market;
 - To promote the interests of all persons who are citizens of the European Union;
 - Not to favour one form of, or means of, providing electronic communications networks or services i.e. to be technology neutral;
 - To encourage network access and service interoperability for the purpose of securing competition in the electronic communication networks and services markets and the maximum benefit for customers of communications providers; and
 - To encourage compliance with standards necessary for facilitating service interoperability and securing freedom of choice for the customers of communications providers.
3. The consultation procedure then requires the Council to consult on this draft decision for one month and subsequently come to a final decision. A Final Notification (of the outcome of the second consultation) is published which details reasons for support or objection to BT's proposals. The Final Notification is to be sent to BT and the Secretary of State for Business, Enterprise and Regulatory Reform within 90 days of the original Council receipt of notification of the proposal for phone service closure from BT. BT cannot proceed to remove any call box that is the subject of objections supported by the Council in the Final Notification - known as the "local veto".
4. Full information on procedure and legislative requirements is given in Ofcom guidance on procedures for the removal of public call boxes:

<http://stakeholders.ofcom.org.uk/binaries/consultations/uso/statement/removals.pdf>

Summary Sheet

Council Report:

Cabinet and Commissioners' Decision Making Meeting – 13 February 2017

Title:

The Rotherham Compact

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

No, but has been included on the Forward Plan

Strategic Director Approving Submission of the Report

Shokat Lal, Assistant Chief Executive

Report Author(s)

Carole Haywood, Policy and Partnerships Manager,
Assistant Chief Executive's Directorate

Waheed Akhtar, Voluntary Sector Liaison Officer,
Assistant Chief Executive's Directorate

Ward(s) Affected

All

Summary

Action D18 in the Council's Phase Two Improvement Plan is to: "Agree a new Rotherham MBC / voluntary sector partnership 'Compact' in consultation with the sector and wider partners". The Compact is a mutually agreed document which sets out how we all work together for the benefit of communities and citizens.

There is a national Compact between the government and voluntary / community sector. The Rotherham Compact is an agreement between the public sector partners in the Rotherham Together partnership and the voluntary and community sector (VCS).

There is no statutory requirement to have a local Compact – it is a voluntary agreement - but it does provide a useful framework of principles and commitments for both public sector organisations and VCS groups. Once it is endorsed, there would be a reasonable expectation that the parties to the Compact would comply with the commitments and principles detailed within the document.

The Rotherham Compact was last refreshed around 2010. Previous versions of the Rotherham Compact have achieved regional and national recognition as models of good practice. However, the previous Rotherham Compact had lost its momentum and focus over the years. It has had no dedicated lead/champion in the council for some time, and is very rarely referenced in decision making and consultation.

The local public sector has changed since the adoption of the 2010 Compact – for example the replacement of the Primary Care Trust with the Clinical Commissioning Group. There are also other developments such as the Social Value Act, new commissioning structures, reviews of commissioning & procurement and public service reform.

The Compact recognises the value that Rotherham's VCS brings to the borough. Research shows that the VCS employs 2,100 full-time paid and 1,500 part-time paid staff. There are 49,000 volunteer roles and 12,300 committee/board members, together providing 85,300 hours of volunteering per week. The sector's overall contribution to the local economy is estimated as £187 million per year.

The Compact particularly reaffirms the VCS as equal partners, who often have a unique understanding and relationship with some of the borough's most vulnerable people.

A Compact Working Group to oversee the refresh was convened in June 2016 and consisted of members nominated by the VCS strategic representatives group and public sector partners. The Compact was updated and a new consultation draft was prepared. Consultation of the Compact took place over a 12 week period which ended on 3rd November. Following further revisions incorporating feedback from the consultation, a final version is now attached for endorsement.

Recommendations

1. That the work completed to refresh the Rotherham Compact, including feedback from the consultation exercise, be noted.
2. That the Rotherham Compact be endorsed.
3. That the intention to launch the Rotherham Compact, subject to endorsement by all public sector partners, on 29 March 2017 be noted.

List of Appendices Included

Appendix A – The Rotherham Compact

Background Papers

"Rotherham: State of the Voluntary and Community Sector 2015" – Sheffield Hallam University – available here: www.varotherham.org.uk/wp-content/uploads/2016/02/Rotherham-SOS-Report_Final.pdf

Consideration by any other Council Committee, Scrutiny or Advisory Panel

N/A

Council Approval Required

No

Exempt from the Press and Public
No

Title: The Rotherham Compact

1. Recommendations

- 1.1 That the work completed to refresh the Rotherham Compact, including feedback from the consultation exercise, be noted.
- 1.2 That the Rotherham Compact be endorsed.
- 1.3 That the intention to launch the Rotherham Compact, subject to endorsement by all public sector partners, on 29 March 2017 be noted.

2. Background

- 2.1 In the Council's Improvement Plan one of the themes is to build 'strong, high impact partnerships'. Action D18 in the Phase Two action plan (endorsed at the Cabinet and Commissioners' Decision Making meeting on 11 July 2016) is to: "Agree a new Rotherham MBC / voluntary sector partnership 'Compact' in consultation with the sector and wider partners".
- 2.2 The Compact is a mutually agreed document which sets out how people and organisations all work together for the benefit of communities and citizens. There is a national Compact between the government and voluntary / community sector. Linked to the national Compact, many local authority areas have established local Compacts. In some areas this has been between the local Council and the voluntary/community sector (VCS). Other areas, like Rotherham, have chosen to develop a Compact between the public sector partners in the local partnership and the VCS.
- 2.3 There is no statutory requirement to have a local Compact – it is a voluntary agreement - but it does provide a useful framework of principles and commitments for both public sector organisations and VCS groups. Once it is endorsed, there would be a reasonable expectation that all the parties to the Compact would comply with the commitments and principles detailed within the document.
- 2.4 The Rotherham Compact was last refreshed around 2010. Previous versions of the Rotherham Compact have achieved regional and national recognition as models of good practice, with Rotherham previously commended for having a Compact between the VCS and all public sector partners in the Rotherham Partnership rather than just between the Council and the VCS.
- 2.5 However, the previous Rotherham Compact had lost its momentum and focus over the years. It has had no dedicated lead/champion in the council for some time, and was rarely referenced in decision making and consultation. Feedback from public sector partners and VCS groups had indicated that the Rotherham Compact was being seen as out of date and 'no longer had meaningful impact'. There was also a desire for an updated 'protocol for relations with the voluntary sector' which was reflected in the Rotherham Council Improvement Plan as part of the borough's improvement journey.

- 2.6 The local public sector has also changed since the adoption of the 2010 Compact – for example the replacement of the Primary Care Trust with the Clinical Commissioning Group. There are also other developments, such as the Social Value Act, new commissioning structures, reviews of commissioning & procurement and public service reform.
- 2.7 A Compact Working Group to oversee the refresh was convened in June 2016, Chaired by Shafiq Hussain from Voluntary Action Rotherham and supported by Waheed Akhtar as Rotherham Borough Council's Voluntary Sector Liaison Officer. The group membership consisted of members nominated by the VCS strategic representatives group and public sector partners. Furthermore, a sub-group was established to look at the 2010 Compact in detail. That version of the Compact was reviewed and a new consultation draft was prepared.
- 2.8 Consultation of the Compact took place over a 12 week period which ended on 3rd November. Following further revisions incorporating feedback from the consultation, a final version is now attached for endorsement.

3. Key Issues

- 3.1 The Rotherham Compact is an agreement between the VCS and the public sector partners represented in the Rotherham Together Partnership:
 - Rotherham Metropolitan Borough Council
 - Rotherham Clinical Commissioning Group
 - The Rotherham NHS Foundation Trust
 - Rotherham Doncaster and South Humber NHS Foundation Trust
 - Rotherham and North Notts College
 - South Yorkshire Police
 - South Yorkshire Fire and Rescue
- 3.2 It covers commitments for public sector and VCS organisations respectively in three main sections: Involvement in policy development; allocating resources; and advancing equality. There are also smaller sections on the role of volunteers and shared principles. The updated Rotherham Compact is attached at Appendix 1.

The Voluntary Sector in Rotherham

- 3.3 The VCS plays a critical role in helping the Council (and other partners) to reach and deliver much needed services to a wide range of people; often in the most disadvantaged and marginalised communities of the borough.
- 3.4 A research report published in 2016 by Sheffield Hallam University, "Rotherham: State of the Voluntary and Community Sector 2015", shows that there are around 1,400 community and voluntary groups in Rotherham. The sector employs 2,100 full-time paid and 1,500 part-time paid staff; 81% of these employees being women. There are 49,000 volunteer roles and 12,300 committee/board members, together providing 85,300 hours of volunteering per week; and the value of their voluntary contribution is estimated at £88 million per year. The sector's overall contribution to the local economy is estimated as £187 million per year.

- 3.5 Rotherham has a large community sector made up of small neighbourhood groups. However, at the moment the scope for utilising this community asset base further is limited. Most of these small organisations are sustaining themselves through volunteers and fundraising, not public sector contracts, and only a small number of key larger organisations have the ability to potentially take on contracts.
- 3.6 With public sector budgets continuing to reduce, VCS organisations will need to explore a range of options to ensure sustainability including fundraising; securing a broader range of grants and contracts; generating earned income; working in partnership with others or pursuing organisational change such as mergers.
- 3.7 The Compact recognises the value that Rotherham's VCS brings to the borough. It also reaffirms the VCS as equal partners, who often have a unique understanding of, relationship with and ability to support some of the borough's most vulnerable people.

The Consultation Process

- 3.8 During the 12 week consultation period each of the public sector partners were asked to consult within their own structures (staff, volunteers, Board, Members etc.). Within Rotherham Borough Council, the following was undertaken:
- A joint RMBC / VCS session to review key issues in relations between the sector and the Council was held on 14th September 2016 and involved the Chief Executive, Strategic Directors and Assistant Directors.
 - A briefing session was held with the Council's "M3" (middle) managers on 14th September.
 - Information on the Rotherham Compact has been included in the RMBC Members Newsletter of 26th September.
 - A Member Seminar on the Compact and voluntary/community sector issues, including the State of the Sector 2015 findings, was held on 4th October 2016. This was chaired by the Cabinet Member for Neighbourhood Working and Cultural Services.
 - Information on the Compact consultation has been emailed to all Members.
 - Information has been sent to Clerks to the Parish Councils.
 - An Employee Briefing was circulated to RMBC staff on 22nd October 2016.
 - A further Seminar for Members was held on 29th November. This encompassed a wider range of VCS issues as well as the results of the Compact consultation.
- 3.9 During the consultation period Council services were asked to consider the Commitments made within the Compact and to assess their ability to meet these commitments. Services were asked either to amend existing policies and procedures to ensure compliance with the Compact or to provide feedback if any Commitment was not achievable.

3.10 The consultation within the Council has also identified the need to look again at volunteering policies within the Council. This is from the context of Council employees volunteering in communities and also external volunteers supporting Council services (for example in Libraries or on a Community Justice Panel). This will be overseen by the new Head of Human Resources who started employment with the Council in January.

3.11 Within the VCS, Voluntary Action Rotherham led on consultation, including:

- a session aimed at community groups held on 5th October
- consultation with the VCS consortia (Children and Young People's Consortium, Adult Services Consortium, Food in Crisis Partnership, Advice in Rotherham Partnership, Rotherham Ethnic Communities Network)
- a meeting of the VCS strategic representatives group
- information dissemination through the weekly VAR email bulletin, sent to 700+ organisations
- information on the VAR website

3.12 Following the conclusion of the consultation period all feedback from public sector partners and VCS organisations has been compiled and an updated version of the Compact is attached at Appendix 1.

3.13 The main changes following the consultation are:

- Some rewording to bring the document into closer alignment with the national Compact whilst also maintaining a character that is relevant for the Rotherham perspective.
- Feedback also pointed out that when local Compacts were widely developed in the early 2000s, the context of public sector budgets was very different from what it is now and that challenges to public sector budgets are likely to increase. In a rapidly changing environment, flexibility will be required but the principles set out in the Compact will provide a useful framework for fair and transparent decision making and service development.
- Section 3.7 of the Compact refers to a 12 week consultation process as good practice. The revised wording, which is now based on the national model, more clearly recognises that this may not always be appropriate - e.g. due to consultation bound by statutory deadlines, or where previous consultation has already been completed, or where there is some other clear rationale for shortening this period.

Guidelines for Resolving Issues

- 3.14 The Guidelines for Resolving Issues (at Appendix 1 of the Rotherham Compact document attached) was also simplified and reduced from what was previously a five stage process to a three stage process. The Guidelines explain how concerns can be raised if there is a belief that the Compact or its commitments are not being followed correctly and encourages positive resolution as part of a Compact way of working. The emphasis is on resolving disagreements at the lowest possible level and that if there is a future disagreement which remains unresolved after all the stages have been completed, it may indicate the need to further review the Compact.
- 3.15 Wording at Stage 3 of the Guidelines for Resolving Issues has also been amended to show that a panel may make a *recommendation* to both parties for resolution. Previous wording in the consultation draft that the decision of an independent panel 'will be binding on both parties' has now been deleted. This, in part, is in response to concerns that these Guidelines should not replace or supersede individual organisational governance structures.
- 3.16 The partner organisation's own processes should be used where the issue is not Compact related - e.g. for an issue about services provided or an issue about individual Elected Members, officers or employees of a Compact member organisation.

Next Steps

- 3.17 Through discussions with VCS organisations a number of issues have been identified and improvements may be required in three key areas:
- Improving communication - aim for clear, transparent communication
 - Commissioning – aim for clarity and consistency on the process; social value benefit and feedback on performance
 - Consultation – aim for an open and inclusive approach
- 3.18 The above areas are covered in the Compact and the real test will now be in ensuring that all public services are able to comply with the Compact in practice. For the Council, this will include a continued emphasis on delivering against the established staff values and behaviours (as set out in the 2016/17 Corporate Plan) and the 'Being Brilliant at the Basics' element of the Leadership and Management Development Framework.
- 3.19 A Compact Leads Group with representatives from public sector organisations and the VCS will continue to meet regularly to share learning and development on Compact compliance. This will provide a key forum for opinion from the sector to be fed back to Council services on how the Compact is being adhered to in day-to-day practice. This group will also explore evaluation of economic and social return on investment, through links with academic and other partners in order to develop a better understanding of evaluation methods and tools.

- 3.20 Once all the public sector partners have endorsed the Compact through their governance structures, it is proposed to have a joint launch event to raise the profile of the Compact. This is proposed for 29th March 2017 (alongside the new “Community Strategy” for Rotherham being developed collaboratively across public, community and private sector organisations through the Rotherham Together Partnership).

4. Options considered and recommended proposal

4.1 Cabinet has the following options:

- a) Option 1 – To not endorse the Rotherham Compact
- b) Option 2 – To request further changes to the content of the Compact prior to endorsement. Members are asked to note that the Compact has already been subject to a 12 week consultation process (including the measures noted at paragraph 3.8 above), with issues raised incorporated into the version enclosed at Appendix 1. Any further significant changes might require additional consultation with the sector and therefore risk a delay to the proposed launch of the Compact in March.
- c) Option 3 – To endorse the Rotherham Compact as enclosed at Appendix 1. After the launch of the Compact, all public sector partners within the Rotherham Together Partnership will be expected to comply with the commitments and principles laid out within the Compact.

- 4.2 The recommended option for Cabinet to approve is Option 3, given the extensive consultation already held to inform the version enclosed.

5. Consultation

- 5.1 Feedback from public sector partners and VCS groups has been incorporated into the revised Compact. Detailed information on the consultation that has been undertaken is given at section 3 of this report.

6. Timetable and Accountability for Implementing this Decision

- 6.1 Should Cabinet endorse the recommended option at Section 4 above, the following outline timescales are envisaged (subject to detailed development):

February 2017	Cabinet decision to endorse the Rotherham Compact
February to March 2017	All other public sector partner organisations represented within the Rotherham Together Partnership to endorse the Rotherham Compact through their own governance arrangements
29 th March 2017	Launch of the Rotherham Compact alongside with the Rotherham Together Partnership “Community Strategy”
Following 29 th March 2017	Rotherham Compact becomes ‘live’

7. Financial and Procurement Implications

- 7.1 There are no direct financial or procurement implications at this stage. However future decision making would need to be taken within the Rotherham Compact framework.
- 7.2 The launch of the Compact will be incorporated into the launch of the Rotherham Plan - for which the costs will be met from the Rotherham Together Partnership central budget.

8. Legal Implications

- 8.1 The Rotherham Compact is a voluntary agreement between the public sector organisations represented in the Rotherham Together Partnership and VCS organisations. It is not legally binding.
- 8.2 There are however Public Law implications such that endorsing the Compact may create a 'legitimate expectation' that signatories will abide by the commitments and principles.
- 8.3 The Compact has 'Guidelines for Resolving Issues' attached at Appendix 1 should any Compact related disagreements occur. The emphasis of these Guidelines is to resolve the disagreement at the lowest possible level to the satisfaction of both parties involved. It may also be the case that if a complaint is submitted via the Council's complaints procedure, it may be referred to the 'Guidelines for Resolving Issues' process first as part of finding a suitable solution.

9. Human Resources Implications

- 9.1 The consultation within the council has also identified the need to look again at volunteering policies within the council. This will be overseen by the new Head of Human Resources.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 The Compact includes a section on volunteering and equalities which would impact positively on Children, Young People and Vulnerable Adults.

11 Equalities and Human Rights Implications

- 11.1 The 'Advancing equality' section of the Compact recognises the vital role that the VCS organisations have in helping to create a more equal society. It sets out commitments that will help both public sector and VCS organisations to work together to achieve their equality goals.

12. Implications for Partners and Other Directorates

12.1 Along with the Council, the following public sector partner organisations will also be signing up to the Rotherham Compact:

- Rotherham Clinical Commissioning Group
- The Rotherham NHS Foundation Trust
- Rotherham Doncaster and South Humber NHS Foundation Trust
- Rotherham and North Notts College
- South Yorkshire Police
- South Yorkshire Fire and Rescue

12.2 Each of the partners above will be considering endorsement of the Rotherham Compact through their own governance arrangements. Following the launch in March, all of these partners will be expected to comply with their commitments as set out within the Rotherham Compact.

13. Risks and Mitigation

13.1 The risk is that Council services do not comply with the commitments set out in the Rotherham Compact, leading to disagreement, deterioration of relationships with the VCS or some other negative course of action.

13.2 This has been mitigated by the following actions:

- clear leadership and direction by the Chief Executive and the Senior Leadership Team that compliance should be ensured
- a briefing session was held with M3 (middle) managers with a request that the Compact should be considered in their team meetings and internal procedures should be reviewed to ensure compliance; and that where any commitment cannot be delivered, feedback to be given during the 12 week consultation process – no feedback was received to suggest that a particular commitment could not be met
- an employee briefing was disseminated with information on the draft Compact and the ability to provide feedback
- two member seminars were held; an article was placed in the member newsletter; and the draft Compact was emailed to all Members during the consultation period

13.3 After endorsement by the Cabinet, and before the launch, a further employee briefing will be provided to remind officers of the Council's commitments and to ensure that all services are working in compliance to the updated version of the Compact. The launch will provide fresh impetus and awareness raising on the Rotherham Compact.

13.4 A Compact Leads Group – with representatives from the public sector partners and VCS organisations - will meet on a regular basis to support compliance, learning and development. Further opportunities to raise awareness of the Compact and the work of the VCS will be explored.

14. Accountable Officer(s)

Shokat Lal, Assistant Chief Executive

Approvals Obtained from:-

Strategic Director of Finance and Customer Services:-
Stuart Booth and Judith Badger

Assistant Director of Legal Services:-
Stuart Fletcher

Head of HR Services:-
Sue Palfreyman

Procurement:-
Helen Chambers

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

The Rotherham Compact

DRAFT V5 December 2016

**The Compact on relations between Public Services and
Voluntary and Community Organisations in Rotherham**

Contents

Part 1. About the Rotherham Compact

What is the Compact?

What the Compact can do for you

Part 2. To whom does the Compact apply?

The public sector

The voluntary and community sector

The role of volunteers

Part 3. Implementing the Compact

Guidance for implementation

Part 4. Resolving differences

Part 5. Compact principles

Part 6. The Compact Commitments

Involvement in policy development

Commitments for the Public Sector

When to involve?

Who to involve?

How to involve?

Commitments for the VCS

Effective involvement

Allocating resources

Commitments for the Public Sector

Planning

Choosing finance and funding options

Application and bidding processes

Understanding costs

Making decisions

Agreeing delivery terms

Making payments

Monitoring and reporting
Concluding a financial relationship

Commitments for the VCS

Contributing to planning
Making applications and bids
Agreeing delivery terms
Monitoring and reporting
When a financial relationship ends

Advancing equality

Commitments for the Public Sector

Promoting equality and diversity
Representation and infrastructure

Commitments for the VCS

Promoting equality and diversity
Representation and infrastructure

Contact details

1 About the Rotherham Compact

What is the Compact?

The Rotherham Compact is an agreement between public sector organisations (public services) who are members of the Rotherham Together Partnership (RTP) and voluntary and community organisations in Rotherham (referred to collectively as the voluntary and community sector: VCS). It sets out commitments on both sides to improve the way in which public organisations and the VCS work together for the benefit of communities and citizens.

What is meant by the 'voluntary and community sector'?

In this document the term 'voluntary and community sector' is used to describe voluntary and community organisations, charities, faith groups, social enterprises, cooperatives and mutuals, both large and small that are not for profit. This term, abbreviated to VCS, is used throughout the document to reflect the wide group of organisations potentially included in the Compact. However, it is understood that each term comes with values attached, and that no term is acceptable to all.

What the Compact can do for you

A genuine partnership allows each partner to achieve more. In Rotherham the public sector and the VCS use the Compact as a framework for partnership working because it recognises and supports the contribution they can each make to improving the lives of individuals and communities. Working together in this way also brings wider benefits, such as the creation of stronger working relationships across the public sector and the VCS, underpinned by mutual understanding, trust and respect.

The Rotherham Compact sets out how the public sector and the VCS can get the most out of partnership working by meeting their respective commitments.

Implementing the Rotherham Compact can help partners achieve:

- Equity in relationships
- Informed policy decisions, based on the expert knowledge of groups working directly with local people
- More appropriate funding that more closely reflects the needs of users
- Progress towards a more equal society, by identifying and tackling inequality and discrimination
- Value for money.

2 To whom does the Compact apply?

The public sector

The Government has signed up to the (national) Compact, making it applicable to all central government bodies in England.

However, the majority of relationships between VCS organisations and public bodies exist at a local level. The Rotherham Compact applies directly to:

- Rotherham Metropolitan Borough Council
- Rotherham Clinical Commissioning Group
- The Rotherham NHS Foundation Trust
- Rotherham Doncaster and South Humber (RDaSH) NHS Foundation Trust
- Rotherham North Notts College
- South Yorkshire Police
- South Yorkshire Fire and Rescue

Voluntary and community groups are involved in a wide range of partnerships with local statutory bodies. Research shows that the way in which local relationships are developed has a strong impact on communities.⁴ In short, Compact principles are fundamental to robust and productive local partnerships.

⁴ Office of the Third Sector, *National survey of third sector organisations: analytical report*, 2009.

The voluntary and community sector in Rotherham

Rotherham has an estimated 1382 independent voluntary and community organisations⁽ⁱ⁾ in the borough. They come in all shapes and sizes and perform a huge range of different roles; collectively this gives the sector its unique strengths and qualities.

Of those 1,382 organisations, about 79% of them are micro, community-based groups with incomes of less than £10,000 a year which raise their own funds locally. In addition to these more informal groups, there are 430 registered charities in the borough, including Community Interest Companies, Companies Limited by Guarantee and Industrial and Provident Societies. Total income for the sector is estimated to be an annual £61 million. Collectively they employ almost 3,600 people. Volunteers give over 85,000 hours of their time each week; equating to a value of £88m per year.

The Compact's relevance extends beyond registered charities and more formal organisations to include organisations and groups active at a local or community level. These are usually small, unfunded or modestly funded, and largely dependent on volunteers. These make up the largest part of the sector.

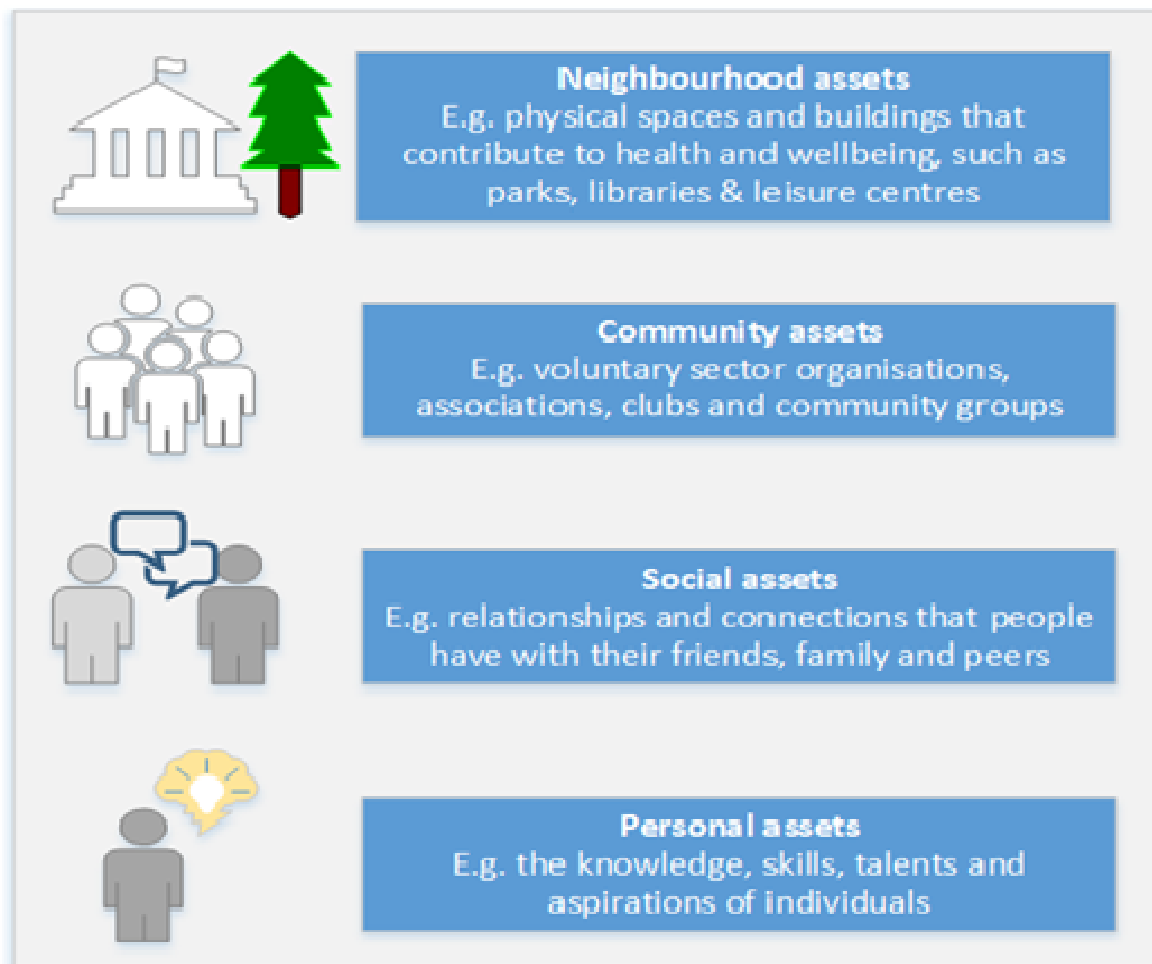
Community groups organise around their own local issues, working together on areas of concern and learning through active participation. These groups also develop knowledge and experience which is locally specific, often developing and delivering services based on direct knowledge of community needs.

There are many organisations within the VCS which give a voice to the most marginalised

groups and individuals in society. They identify and provide services that might otherwise be unavailable, and campaign in the interests of the community they represent.

⁽ⁱ⁾ Rotherham State of the Voluntary and Community Sector 2015 Research carried out by Sheffield Hallam University, Centre for Regional Economic and Social Research

VCS organisations are an essential part of local assets as can be seen in the diagram below.



The role of volunteers

The contribution of volunteers is one of the special characteristics of the VCS. Volunteers commit their time and energy to benefit society and communities by providing services and activities in many different ways, from acting as trustees through to getting involved in practical tasks. The Compact ensures that the value of volunteers is recognised.

Volunteering is defined as an activity that involves spending unpaid time doing something that aims to benefit the environment or individuals or groups (other than, or in addition to, close relatives). There are five principles that are fundamental to volunteering:

- **Choice**
Volunteering must be a choice freely made by each individual.
- **Diversity**
Volunteering should be open to all.

- **Mutual benefit**
Both the volunteer and the organisation that the volunteer works with should benefit from the relationship.
- **Recognition**
The contribution of volunteers should be recognised.
- **Resourced**
Understanding there is a cost involved with recruiting, managing and retaining volunteers.

3. Implementing the Compact

To implement the Compact effectively in Rotherham, public sector and VCS organisations will each take steps to ensure that their personnel:

- Are aware of the Compact and its implications on their work
- Incorporate the principles of the Compact into their policies and procedures

4. Resolving differences

The Compact plays a crucial role in improving the partnership between the Public Sector and the local VCS. It is neither a set of rules nor a bureaucratic burden. Whilst the Compact is not a legally binding document; the public sector and the VCS are committed to complying with the Compact for the benefit of our local communities. When partners fail to comply with the Compact, those involved should explain why.

Disagreements over meeting the Compact commitments should be resolved, amicably and informally, between partners through open dialogue and negotiation before they escalate. The Compact principles form the basis of the relationship. Where issues are not covered in the commitments, compromise and discussion should be based on these principles.

When things go wrong (as they sometimes do) there should be an open admission of the fact and an honest discussion to resolve the situation. The Rotherham Compact is there to help build effective partnerships, and this includes dealing with difficult issues. It should be used as a tool for dispute resolution and working towards better partnerships. Where disputes do arise they should be monitored as any repeated disputes on similar issues may indicate the need for further dialogue. Appendix 1 of the Rotherham Compact sets out a clear process for dispute resolution.

5. Compact principles

While there are many differences between the public and voluntary and community sectors, – which must be acknowledged and respected – the sectors have much in common. In particular, the public sector and the voluntary and community sector share a common set of principles. These principles make it clear that the Compact is neither a set of rules nor a bureaucratic burden, but that it is a way of working that can make real improvements for people and communities. These principles have been created to help the public sector and the voluntary and community sector and work together effectively in partnership. The Compact's commitments put these shared principles into practice.

The shared principles of the Compact are:

- **Respect:** public and VCS organisations are accountable in different ways, but both need to be open and honest. Effective partnerships are built on mutual understanding and an appreciation of the differences between partners of the Compact.
- **Honesty:** It is only through open communication that strong partnerships can be built and maintained. Full and frank discussions should be the basis for resolving difficulties.
- **Independence:** The independence of the VCS is recognised and supported. This includes the right for voluntary and community organisations to campaign, to comment on and to challenge policy such as a 'critical friend' (whatever funding or other relationship may exist) and to determine and manage their own affairs.
- **Diversity:** The public sector and the VCS value a thriving civil society, which allows different groups to have a voice and bring forward new ideas.
- **Equality:** Fairness for everyone, regardless of their background, is a fundamental goal, and public sector and the VCS will work together to achieve this.
- **Citizen empowerment:** By working together, the public sector and the VCS can help to improve conditions for communities and people, meeting their needs and reflecting their choices.
- **Volunteering:** The energy and commitment of people giving their time for the public good contributes to a vibrant society, and should be recognised and appreciated.

The public sector and the VCS are committed to these principles.

6. The Compact commitments

Involvement in policy development

Voluntary and community organisations often work directly with people and groups on the ground, giving them expertise in many areas, an understanding of the needs of the people they help² and an ability to find new and effective answers to problems. Involving and consulting the VCS can help public sector organisations develop policies that meet the needs of people and communities.

Involving the VCS in policy development should start at the earliest stages and carry on throughout. It includes a range of methods – from informal engagement to full-scale public consultation, co-design and delivery.

² The people an organisation's aims are intended to benefit.

Involvement in policy development Commitments for the Public Sector

1 When to involve?

Involving the VCS in policy development at the earliest stage possible will allow local public sector organisations to get the most out of the process. This will lead to more effective policies and programmes being developed.

Public sector organisations undertake to:

- 1.1** Involve the VCS from the earliest stages of policy development, on all relevant issues likely to affect it. This can include enabling VCS organisations to start discussions within affected communities themselves.
- 1.2** Inform the sector of progress in developing policy.
- 1.3** Identify implications for the VCS when assessing the impact of new policies, legislation and guidance.

Involvement in policy development

Commitments for the Public Sector

2 Who to involve?

Spending time and money helping VCS organisations make their voices heard helps ensure that their knowledge is applied to policy development.

Public sector organisations undertake to:

- 2.1** Identify and address barriers, which may prevent VCS organisations from contributing to policy development.
- 2.2** Encourage responses from the full range of VCS organisations that are likely to have a view.
- 2.3** Support the development and sustainability of VCS infrastructure bodies which enable VCS organisations to help people and communities more effectively, by providing services such as advice, capacity building and representation.
- 2.4** Identify where there are costs to VCS organisations as a result of partnership work with public sector organisations and offer support on a clear and consistent basis. This can be especially important for VCS infrastructure bodies that are helping to organise or run consultations.

Involvement in policy development

Commitments for the Public Sector

3 How to involve?

Voluntary and community organisations can provide stronger and better-informed responses if the consultation methods used are suited to the purpose and audience, and if enough time is given for people to respond. Either formal or informal consultation methods may be appropriate depending on the circumstances and on the type and sizes of the organisation.

Public sector organisations undertake to:

- 3.1** Avoid compromising or undermining the independence of VCS organisations to deliver their mission (whatever financial or other relationship may exist between them).
- 3.2** Apply the principles of co-production with the VCS, where appropriate
- 3.3** Publicise consultation exercises widely and make sure they are accessible to the people they are intended to reach.
- 3.4** Use appropriate consultation methods and explain the reasons for selecting them.
- 3.5** Explain which matters are open to change as a result of the consultation and which are not. Provide information to explain how respondents have influenced policy decisions, including where respondents' views have not been acted upon.
- 3.6** Allow enough time for VCS organisations to involve their service users, beneficiaries, members, volunteers and trustees in preparing responses.
- 3.7** Where it is appropriate, and enables meaningful engagement, conduct 12 week formal written consultations, with clear explanations and rationale for shorter time-frames or a more informal approach. It is recognised that the 12 week consultation may not always be possible or appropriate particularly where extensive engagement has occurred before or where activity is bound by statutory timescales which may be shorter.

- 3.8** Make VCS organisations aware of the consulting organisation's obligations under the Freedom of Information Act 2000 and, where appropriate, protect the confidentiality of information that has been supplied by a VCS organisation for the consultation.

Involvement in policy development

Commitments for the VCS

4 Effective involvement

When the VCS is actively involved in policy development, it helps build trust in the sector, establishing valuable links between the public sector and the VCS and encouraging the public sector to commit actively to listening to VCS views.

Voluntary and community organisations undertake, where possible, to:

- 4.1** Involve service users, beneficiaries, members, volunteers and trustees when preparing responses to consultations.
- 4.2** Give feedback on what information is presented to the public sector and what the outcome is to everyone involved in responding to the consultation.
- 4.3** Be clear about whose views are being represented and what those views are. This includes explaining whether views have been gathered directly (and from what audience), or whether the response is based on the organisation's knowledge and experience of the issues.
- 4.4** Make sure all research and information that is presented to public sector organisations is accurate and credible. Explain where the information comes from and if there is conflicting evidence.
- 4.5** Be aware of the consulting organisation's obligations under the Freedom of Information Act 2000. Where appropriate, respect the confidentiality of information that has been supplied by the public sector for the consultation.
- 4.6** Promote local public sector consultations across the VCS, where appropriate.
- 4.7** Accept that, some consultations may need to take place in a shorter time than 12 weeks.

The Compact commitments

Allocating resources

Voluntary and community organisations, including those that receive no public funding, are often in a good position to understand what people want and how their needs can be met. By working together to design programmes, the public sector and the VCS can deliver policies and programmes that are built around communities and individuals, meeting their needs and reflecting their choices.

Commitment to Co-production

An underlying principle of effective commissioning for outcomes should be the commitment to embed genuine co-production into all commissioning activity. People's energy, skills, interests, knowledge and life experiences should be harnessed to influence the support and services they receive. This includes active participation alongside commissioners of services in the shaping of, and design of new service delivery models. Co-production gives a collective sense of ownership and can connect residents to the statutory organisations and voluntary and community organisations with a common purpose.

The National Co-production Advisory Group^[1] definition:

"Co-production is not just a word, it is not just a concept, it is a meeting of minds coming together to find shared solutions. In practice, co-production involves people who use services being consulted, included and working together from the start to the end of any project affects them. Where co-production works best, people who use services and carers are valued by organisations as equal partners, can share power and have influence over decisions made."

Supporting Economic Growth through Social Value

Service commissioning activity can support the strategic role of stakeholders in promoting economic growth. Work and skills should be embedded into all commissioning and contracting arrangements.

For example, service providers should be encouraged to enable local people to access to their employment opportunities or to provide apprenticeships. They should also provide pathways to employment for people supported within the health and social care system, where appropriate by embedding requirements in service specifications.

Much of this can be attained through effective application of the Social Value Act 2012 enshrined in a Social Value Charter. Social value asks the question:

"If £1 is spent on the delivery of services, can that same £1 be used to also produce a wider benefit to the community?"

Social value looks beyond the price of each individual contract and instead focuses on the collective benefit to a community. Social value can demonstrate social, economic or environmental benefit.

^[1] http://www.thinklocalactpersonal.org.uk/Browse/Co-production/National_Co-production_Advisory_Group/

There are a number of ways of measuring non-financial benefits, including social return on investment. Together we will seek to explore the impact and value of different models to build a clearer picture of social benefit.

Allocating resources

Commitments for the Public Sector

5 Planning

Voluntary and community organisations are often in a good position to understand people's needs and to provide new and better solutions to those needs. Involving VCS organisations in designing new programmes and services, and focusing on results, can help local public sector organisations provide the right resources, identify risks and solutions, and achieve better outcomes. When done appropriately, this does not affect competitive neutrality.⁶

The public sector undertakes to:

- 5.1** Plan programmes and services focusing on outcomes, allowing for innovation and promoting prevention and early intervention wherever possible.
- 5.2** Work with VCS organisations to understand public service reform and support the sector in responding to changes.
- 5.3** Plan programmes and services in advance of the expected start date, based on consultation with the VCS.
- 5.4** Ensure that those VCS organisations that are likely to have a view on the programme or service are involved from the beginning.

6 Choosing finance and funding options

Choosing the most appropriate funding mechanism will help to secure the most appropriate organisation to deliver outcomes.

The public sector undertakes to:

- 6.1** Consider different ways of supporting organisations working with the public sector. These methods could include grants, procurement, loan finance, training, use of premises or other support. A clear explanation should be provided for the decision made.
- 6.2** Ensure that the size and scale of the funding arrangements reflect the project's objectives and attracts those organisations best placed to deliver the required outcomes.
- 6.3** Advocate that prime and sub-contractors, and all other public and private bodies distributing public money, work within the Compact by making it a requirement of funding arrangements.

7 Application and bidding processes

A well-managed application process that is proportionate to the desired objectives will encourage a varied range of organisations to apply and help to ensure that the most appropriate organisation is found for the role.

The public sector undertakes to:

- 7.1** Ensure that application documents are:
 - Publicised appropriately
 - Proportionate to the nature of the risk and the amount of funding being allocated
 - Contain enough information to allow organisations to make informed decisions.
- 7.2** Allow enough time for organisations of all sizes to apply, as well as for groups of organisations such as consortia and partnerships of VCS organisations.
- 7.3** Be clear about how bids will be assessed.
- 7.4** Make decisions on the basis of value for money. This may include taking into account the wider community benefits / social value at the award stage or when identifying what is needed.

8 Understanding costs

Funding bodies have an interest in ensuring that organisations can manage and administer their activities effectively. They need to recognise the need for support to achieve this.

The public sector undertakes to:

- 8.1** Recognise that when VCS organisations apply for a grant they can include appropriate and relevant overheads, including the costs associated with training and volunteer involvement.
- 8.2** Ensure equal treatment across sectors, including reporting and monitoring arrangements, when tendering for contracts.

9 Making decisions

Funders should set criteria to ensure that they are able to select the provider that is best placed to achieve best value for money.

The public sector undertakes to:

- 9.1** Commit to multi-year funding where appropriate and where it adds value for money. If multi-year funding is not considered to be the best way of delivering the objective explain the reasons for the decision.
- 9.2** Make funding decisions and inform organisations at least three months in advance of the expected start date. Any departure from that time-scale should be justified and explained.
- 9.3** Provide constructive feedback to unsuccessful organisations.

10 Agreeing delivery terms

Agreeing terms in advance ensures that all parties understand their respective responsibilities and allows the organisations involved to concentrate on delivering the service.

The public sector undertakes to:

- 10.1** Discuss the risks to the project and agree delivery terms before a financial agreement is signed.
- 10.2** Allocate risks to the organisation(s) best equipped to manage them. Ensure that delivery terms and risks are proportionate to the nature and value of the opportunity.

- 10.3** Agree a process for managing performance and responding to changing circumstances before signing a financial agreement.
- 10.4** For grants, agree how underspend will be managed.

11 Making payments

Payment terms which suit the type of service and the organisation involved will increase the likelihood of the desired outcomes being achieved.

The public sector undertakes to:

- 11.1** Make payments in advance of expenditure where there is a clear need and where this represents value for money. This may be particularly relevant for grants.
- 11.2** Make payments within 10 working days of eligible and correctly submitted invoices being received by the appropriate department.

12 Monitoring and reporting

Appropriate monitoring reduces costs, time and resources for both sides, and means that time and effort can be focused on delivering results.

The public sector undertakes to:

- 12.1** Discuss and agree how outcomes will be monitored before a contract or funding agreement is signed.
- 12.2** Be clear about what information is being requested, why, and how it will be used.
- 12.3** Ensure that monitoring and reporting is proportionate to the amount of funding and the type of project and that it does not become a burden to the organisation. It should ask for evidence that is meaningful to the beneficiaries of organisations, as well as to funders.
- 12.4** Find out how service users can report on the service they have received.
- 12.5** Aim to standardise monitoring and reporting arrangements.
- 12.6** Ensure that monitoring is consistently applied to organisations in all sectors and not treat a contract as a grant
- 12.7** If the project is encountering problems, discuss and agree a timetable of actions to improve performance before making a decision to end funding or a contract.

13 Concluding a financial relationship

It is important to plan ahead for the end of funding, in order to reduce potential negative consequences on the people involved, the stability of the VCS organisation and future partnerships.

The public sector undertakes to:

- 13.1** Assess the impact on beneficiaries, service users and volunteers before deciding to reduce or end funding.
- 13.2** Where there are restrictions on future resources, then potential implications should be discussed as early as possible with VCS organisations.
- 13.3** A minimum of three months' notice in writing should be given, with reasons for ending a funding relationship or other support.
- 13.4** Give organisations an opportunity to respond to the proposal to end funding and consider the response before making a final decision.
- 13.5** Review programmes and services with relevant VCS organisations to inform future practice.

Allocating resources

Commitments for the VCS

14 Contributing to planning

When VCS organisations contribute to the planning and design of programmes and services, it helps ensure that they reflect the needs of beneficiaries.

VCS organisations undertake to:

- 14.1** Involve users, beneficiaries, members, volunteers and trustees when designing or reviewing programmes and services.
- 14.2** Provide contributors with information on what they present to public sector organisations and what the outcomes are.
- 14.3** Be clear about who they are representing, in what capacity, and on what basis they are making that representation.

15 Making applications and bids

Organisations should ensure that they are eligible to apply for funding and should check that the objectives of the funding programme or service are in line with the organisation's objectives before applying.

VCS organisations undertake to:

- 15.1** Be clear why they are bidding or applying to deliver programmes or services, ensure eligibility for funding before applying and be explicit about how outcomes will be achieved.
- 15.2** Show that they understand how new funding will affect their organisation, relate to its mission, and contribute to its income mix.
- 15.3** Ensure they have a clear understanding of the relevant overheads and other costs to include when applying for resources.
- 15.4** Be clear which organisation is the financially 'accountable body' in partnership or consortia working arrangements.
- 15.5** Appreciate that community groups may be less confident and have less capacity than voluntary groups; and that there may be a mentoring and support role by voluntary groups to ensure effective consortia working.
- 15.6** Be open and transparent as to finances and make accounts available on request, where there is a financial or appropriate partnership relationship with the public sector organisation requesting the information.

16 Agreeing delivery terms

Delivery and payment terms should be appropriate to ensure that the project can run smoothly and focus on achieving its objectives.

VCS organisations undertake to:

- 16.1** Be clear about the risks associated with delivering programmes and services, and agree delivery terms before a contract or funding agreement is signed.
- 16.2** Have appropriate management arrangements in place and ensure that everyone involved understands and agrees to the terms of delivery.
- 16.3** Be clear about how payments will be made and, if appropriate, demonstrate why payment in advance is required.

- 16.4** Recognise that it is legitimate for funders to ask for public recognition of their funding.
- 16.5** Have appropriate systems in place to manage and account for finances and other management information as appropriate.

17 Monitoring and reporting

Managing funding effectively requires good monitoring. It promotes better working relationships with funders and ensures that performance is managed properly.

VCS organisations undertake to:

- 17.1** Negotiate monitoring and reporting requirements before a financial agreement is made.
- 17.2** Recognise that proportionate monitoring, both internally and externally, is an element of good management practice.
- 17.3** Ensure that reporting systems are in place to meet requirements and provide monitoring information on time and in the correct format.
- 17.4** Give early notice to funders of significant changes in management, or financial or other risks.
- 17.5** Be open and honest in reporting.

18 When a financial relationship ends

Contingency planning for the end of a contract or grant helps minimise the impact on beneficiaries. Planning in this way can help with long-term sustainability.

VCS organisations undertake to:

- 18.1** Plan for the end of funding to reduce any potential impact on beneficiaries and the organisation.
- 18.2** Make a positive contribution to reviews of programmes or services to inform future practice.

The Compact commitments

Advancing equality

Working together for equality

Equality for everyone, regardless of their background, is a core value shared by the public sector and the VCS. Over the last four decades, discrimination legislation and related policy have played an important role in helping to make Britain a more equal society. As both society itself and equality legislation continue to evolve, it is crucial that the public sector and the VCS work well together to achieve equality and fairness for everyone.

This section of the Compact recognises the vital role that the VCS plays in helping to create a more equal society and sets out commitments that will help both sectors work together to achieve their equality goals.

The law protects people from discrimination on the basis of a number of different characteristics - race, sex, age, sexual orientation, religion or belief, disability, gender reassignment, marriage & civil partnership and pregnancy & maternity. These are referred to in this document as 'protected characteristics'. The histories and issues facing people who share these characteristics are complex and often unique. This diversity should be understood and respected.

The role of the VCS in promoting equality

In order to work towards its equality objectives, the public sector needs the insight and knowledge of VCS organisations working at the front line with people who have 'protected characteristics'. These groups have a unique understanding of issues around access to services and involvement in civil society, which should be taken into account in policy making.

Whether or not VCS organisations focus their activities on people with a protected characteristic, they can provide a vital role in delivering programmes and services. They also promote community cohesion by giving people the support they need to play a full part in their community.

A good working relationship between the VCS and local public sector organisations will help to meet the needs of the people they serve or represent and will reduce inequality. The Rotherham Compact plays a key role in helping this relationship to work, not just through the commitments within this section, but by ensuring that organisations which promote equality are allocated sufficient resources and benefit from effective and relevant policy development, as set out in the other sections of the Compact.

Advancing equality

Commitments for the public sector

19 Promoting equality and diversity

Promoting equality and diversity is a shared goal of the public sector and the VCS.

The public sector undertakes to:

- 19.1** Work with the VCS towards eliminating unlawful discrimination and promoting equality of opportunity. Put strategies in place to help achieve these aims in line with existing public duties.

- 19.2** Where appropriate, work with VCS organisations that represent people with protected characteristics, to understand their specific needs and design appropriate services.
- 19.3** Ensure that all VCS organisations, including those that serve people with protected characteristics, have equal opportunities to access public sector funding programmes. This includes access to funds to build capacity, and to prepare and deliver projects.
- 19.4** Be clear about any actions on equality that VCS organisations will be expected to undertake if they are funded to deliver programmes.
- 19.5** If a strategic grant is withdrawn from an organisation serving people with a specific protected characteristic, assess the need to reallocate the grant to another organisation serving the same community.
- 19.6** Work with the VCS to identify and address any barriers that prevent volunteering by people with protected characteristics.

20 Representation and infrastructure

The public sector can take some simple steps to improve the effectiveness of engaging VCS organisations that give a voice to diverse groups.

The public sector undertakes to:

- 20.1** Acknowledge that organisations representing specific disadvantaged or under represented group(s) can help promote social and community cohesion.
- 20.2** Enable those organisations representing people with protected characteristics to be involved in policy development, consultation or other activities, by supporting them appropriately.
- 20.3** Recognise that groups which involve people with protected characteristics at community level may be small or informal, and engage with these groups in a way that suits their working methods.

Advancing equality

Commitments for the VCS

21 Promoting equality and diversity

An important way in which the VCS can promote equality effectively is by working with public sector organisations on equality issues.

VCS organisations undertake to:

- 21.1** Take practical action in partnership with the public sector to eliminate discrimination, advance equality of opportunity and build community links.
- 21.2** Show committed leadership (especially at senior levels) to promote equality and, where necessary, put strategies in place to achieve it.

22 Representation and infrastructure

VCS organisations are ideally placed to represent the views of people with protected characteristics. However, it is important that these organisations carry out this role effectively and transparently, and that their activities serve all relevant groups.

VCS organisations undertake to:

- 22.1** Be clear on who is being represented and how their views have been gathered.
- 22.2** When selecting representatives from organisations and communities, be clear who they represent and with what legitimacy.
- 22.3** Where appropriate, support those organisations that can promote the interests of people with protected characteristics.
- 22.4** Identify groups that are in danger of being marginalised, excluded, or are currently under-represented in voluntary activity, and put in place measures to promote their involvement.

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Contact details

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This publication is available on Voluntary Action Rotherham's website at:
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APPENDIX 1

ROTHERHAM COMPACT - GUIDELINES FOR RESOLVING ISSUES**INTRODUCTION**

The Rotherham Compact plays a crucial role in improving the partnership between the public sector and the local VCS. It is neither a set of rules nor a bureaucratic burden. Whilst the Compact is not a legally binding document, the public sector and the VCS are committed to complying where possible with the Compact for the benefit of our local communities.

If the Rotherham Compact is to meet its aim of being a 'living process' which continuously improves the relationship between the Partner organisations, like all relationships it is inevitable that occasionally disagreements will arise.

A number of partners engaged in the Rotherham Together Partnership (RTP) are signed up to the Compact and are committed to ensure its principles are adhered to in partnership working.

The purpose of these guidelines is to:

- explain how concerns can be raised where there is a belief that the Compact or its commitments are not being followed correctly;
- establish a process through which Compact members can resolve differences;
- encourage positive resolution as part of a Compact way of working;
- review lessons learnt and identify best practice for all partners involved.

It is important to make clear that this process is only for Compact related issues.

The individual organisation's issues process should be used where the issue is **not** Compact related, for example:

- an issue about services provided by Rotherham Metropolitan Borough Council;
- an issue about individual Councillors, officers or employees of a Compact member organisation.

RESOLUTION OF DISAGREEMENTS

The Compact and its commitments make it clear that members have the right to raise concerns, be listened to positively and receive a response. Issues can be raised by any one, at any time. Where an issue arises the following process should be followed.

Initial advice should be sought from Voluntary Action Rotherham on telephone number 01709 829821 to confirm that the issue is Compact related.

STAGE 1: Informal Resolution

Before embarking on a formal resolution process, both parties should initially try to resolve the situation informally between themselves without the need to involve a third party.

Formal Resolution

This stage can only be invoked if both parties to the disagreement confirm that all attempts to resolve the situation informally have been explored and they have been unable to reach a mutually acceptable agreement

Stage 2: Facilitated resolution through mediation

"Mediation is a flexible process conducted confidentially in which a neutral person actively assists parties in working towards a negotiated agreement of a dispute or difference, with the parties in ultimate control of the decision in order to agree the terms of resolution."

The Executive Group overseeing the operation of the Compact on behalf of the Rotherham Together Partnership (RTP) is the RTP's Chief Executive Officer (CEO) Group. The RTP Manager or the CEO Group will appoint an Officer trained in mediation to mediate. Where appropriate this will be an officer of Voluntary Action Rotherham.

If facilitated resolution proves unsuccessful or if either organisation does not want to go to 'mediation' the next stage will become applicable.

This process should be completed within 20 working days.

Stage 3: Independent investigation and review

i) Independent investigation

The CEO Group, a delegated Group (by the CEO Group) or the RTP Manager will appoint an independent officer to investigate the issues and to collate all the data and prepare a report for the CEO or delegated Group. The report will contain a summary of:

- the issues;
- detail of the compact breach;
- the process followed to date;
- recommendations made to date.

This process should be completed within 20 working days.

ii) Review by CEO Group (or delegated Group)

The CEO or their delegated Group (not including member organisation(s) involved in the dispute) will review the evidence presented in the investigators report and decide;

- if the issue is a breach of the Compact;
- if both parties have received a fair hearing;
- if the recommendations made to date have been reasonable.

It will then recommend a final resolution to both parties.

This process should be completed within 10 working days or at the next scheduled meeting of the CEO Group.

Disputes should be monitored, where possible, as any repeated disputes on similar issues may indicate the need for further dialogue.

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

Document is Restricted